



ORDINARY MINUTES

DATE: Tuesday, 23 June 2009

TIME: 2.45 pm

VENUE: Council Chambers, Lowood
Road, Mount Barker WA 6324

Rob Stewart
CHIEF EXECUTIVE OFFICER

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1 DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS

2:51 pm The Presiding Member declared the meeting open.

Working to Occupational Safety and Health Best Practices, Mr Rob Stewart - Chief Executive Officer, read aloud the emergency evacuation procedures for Councillors, staff and members of the public present in the Council Chambers.

Mr Stewart then read aloud the following disclaimer:

'No responsibility whatsoever is implied or accepted by the Shire of Plantagenet for any act, omission or statement or intimation occurring during Council/Committee meetings or during formal/informal conversations with staff.

The Shire of Plantagenet disclaims any liability for any loss whatsoever and howsoever caused arising out of reliance by any person or legal entity on any such act, omission, or statement of intimation occurring during Council/Committee meetings or discussions. Any person or legal entity who acts or fails to act in reliance upon any statement does so at that person's or legal entity's own risk.

In particular and without derogating in any way from the broad disclaimer above, in any discussion regarding any planning application or application for a licence, any statement or limitation or approval made by a member or officer of the Shire of Plantagenet during the course of any meeting is not intended to be and is not taken as notice of approval from the Shire of Plantagenet. The Shire of Plantagenet warns that anyone who has an application with the Shire of Plantagenet must obtain and should only rely on WRITTEN CONFIRMATION of the outcome of the application, and any conditions attaching to the decision made by the Shire of Plantagenet in respect of the application.'

2 RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE

Nil

3 RECORD OF ATTENDANCE / APOLOGIES / LEAVE OF ABSENCE (PREVIOUSLY APPROVED)

Members Present:

Cr K Forbes AM	Shire President - Rocky Gully/West Ward
Cr K Clements	Deputy Shire President -Town Ward
Cr A Budrikis	Kendenup Ward
Cr B Hollingworth	Town Ward
Cr J Mark	Town Ward
Cr S Grylls	Rocky Gully/West Ward
Cr J Moir	South Ward

Cr D Nye-Chart East Ward
Cr M Skinner East Ward

In Attendance:

Mr Rob Stewart Chief Executive Officer
Mr John Fathers Deputy Chief Executive Officer
Ms Nicole Selesnew Manager Community Services
Mr Peter Duncan Manager Development Services
Mr Ian Bartlett Manager Works and Services
Ms Cobie MacLean Administration Officer (Planning)

There were six member(s) of the public in attendance.
There were nil (0) member(s) of the media in attendance.

Previously Approved Leave of Absence:

Cr B Hollingworth 1 July 2009 to 12 July 2009 inclusive.
Cr D Nye-Chart 3 July 2009 to 29 July 2009 inclusive.

4 PUBLIC QUESTION TIME

Section 5.24 Local Government Act 1995

Tender C07-0809 – Provision of Waste and Recycling Collection Service – Mr Arthur Paternoster, Great Southern Waste Disposal

Great Southern Waste Disposal (GSWD) has been in business for 30 years and currently working with 12 Councils.

On page 17 of the Tender report to be considered today GSWD shows that 'Bin Delivery' and 'Replacement' as not stated. The tender document showed that there was to be no charge for this service.

We feel that we should be considered for this tender as we provided an extremely competitive quote. We should not be overlooked because we did not include two costs.

Would the Council be prepared to consider asking GSWD to provide an addendum to rectify this omission and include the quote in its consideration?

Mr R Stewart, Chief Executive Officer answered:

The assessment was contracted out to an external agency. I will recommend that the Council goes behind closed doors briefly to discuss the recommendation. The Council may delay the decision and request further information.

5 PETITIONS / DEPUTATIONS / PRESENTATIONS

Rocky Gully Oval – Mr William Waud

On behalf of the representatives of the Rocky Gully community I have come to ask the Council to reconsider their proposal to reduce the size of the Rocky Gully oval.

The original oval was a kilometre towards Mount Barker and over the years became run down and vandalism was hard to control.

It was felt that it would be better to have a grassed oval, so the Shire approached the Rocky Gully school and a plan was formed to enlarge the school oval and build a new cricket pitch as the present one, built by the P&C, was not central to the enlarged oval.

The whole community has pitched in and with the Shire cleared, cleaned up and levelled the site. It was a huge job but finally kikuyu grass was planted and the school and the community enjoyed a grassed oval. Joan Cameron showed great foresight when she had the Council agree that in the unlikely event of the school closing, the oval would be surveyed off in its entirety for the community to use for ever after.

As you can see in the photographs (not attached to these minutes), the oval is in quite good order, despite having had very little maintenance in the last four years. The proposed area is with the oval cut off to a 70 metre wide strip. This area is really 50% bush and the cleared space is not big enough to fly a kite or have a game of some sort. Neither the cricket pitch or the practice nets are included. The practice nets have been used constantly during the cricket season.

The Lions Club of Rocky Gully have agreed to organise the community in maintaining the oval and repair any damage done to it. The Lions Club feel that they have a good record of looking after community assets. We have built and are responsible for cleaning the Rocky Gully public toilets in the parking bay for the past 11 years. We regularly receive letters of appreciation from the people travelling on Muirs Highway.

The community thinks the oval should be fenced to prevent hoons from driving on it, and we may have some money to put towards part of the fencing and propose to provide the labour. We would like the Shire to bring us a load of sand every now and then to fill in holes as sand is hard to come by.

The community feels very strongly that we need to retain the oval for the future of the town and its young people. We urge the Council to reconsider.

Cr K Forbes AM, Shire President responded and indicated that the matter should be discussed further.

6 DISCLOSURE OF INTEREST

Part 5 Division 6 Local Government Act 1995

Cr S Grylls declared a Closely Associated Person Interest in Item 12.1.1.

7 APPLICATIONS FOR LEAVE OF ABSENCE

Section 5.25 Local Government Act 1995

Nil

8 CONFIRMATION OF MINUTES

Moved Cr M Skinner, seconded Cr J Moir:

That the Minutes of the Ordinary Meeting of the Shire of Plantagenet, held on 9 June 2009 be confirmed subject to the following change:

Page 8: In the last dot point of the Announcements by Presiding Member Without Discussion the time '7:30 pm' be deleted and replaced with '8:00 pm'.

CARRIED (9/0)

NO. 166/09

9 COMMITTEE MINUTES

Moved Cr K Clements, seconded Cr J Mark:

That the Minutes of:

[Minutes – Great Southern Regional Cattle Saleyards Advisory Committee – 26 May 2009](#)

[Minutes – Recreation Advisory Committee Meeting – 26 May 2009](#)

[Minutes – Townscape Review Steering Committee – 10 June 2009](#)

be received.

CARRIED (9/0)

NO. 167/09

10 ANNOUNCEMENTS BY PRESIDING MEMBER WITHOUT DISCUSSION

- 11 and 12 June 2009 – Mr R Stewart, Chief Executive Officer and I attended a workshop on Local Government restructuring at the City of Albany with facilitator Stephen Goode. Resource sharing from the City of Albany was the major focus of the discussions.
- 16 June 2009 – 8:00 pm – Public Meeting for Draft Budget and Local Government Restructure. 10 members of the public attended – no significant issues of concern were raised.
- 18 June 2009 – Mr Stewart and I held interviews for the Manager of Works and Services position. We believe we have agreed on a very competent applicant.

- 22 June 2009 – Mr Stewart, Cr Hollingworth and I attended a presentation by Dr Kathryn Williams and Dr Jacki Schirmer on the socio economic impacts on various regions of the plantation industry. Most of the presentation was based on prior to the administration of Timbercorp and Great Southern.
- 24 June 2009 –The Shire of Plantagenet will be hosting the Southern Link Voluntary Regional Organisation of Councils meeting at 2:00 pm.
- 24 June 2009 – Mrs L Forbes and I will be attending the Great Southern Development Commission's Natural Resource Management Awards dinner in Albany.
- 26 June 2009 – Mr Stewart and I will be meeting with Minister O'Brien in Perth and later with the State Manager of Bendigo Bank. With our partners we will be attending the Mount Barker Wine Producers Winter dinner at Frazers Restaurant in the evening.
- 28 June 2009 – Mrs Forbes and I will be attending the Lions Club changeover lunch.
- 29 June Meeting with Minister Day in Albany. Attending the Cabinet Lunch in Albany and meeting Minister Castrilli in Mount Barker.

11 ANNOUNCEMENTS BY COUNCILLORS WITHOUT DISCUSSION

Cr K Clements

- With Chief Executive Officer, met with Pardelup Re-establishment Co-ordinator. Pardelup is looking at up to 40 extra staff when the facility re-opens after upgrading. Their biggest problem at this stage is finding sufficient housing for the increase in staff numbers.

Cr S Grylls

- Great Southern Regional Cattle Saleyards Advisory Committee Meeting.

Cr B Hollingworth

- 16 June 2009 - Public Draft Budget and Plan for the Future Information Evening.
- Great Southern Development Commission.

Cr J Moir

- Southern Agcare Meeting.

Cr M Skinner

- Great Southern Regional Cattle Saleyards Advisory Committee Meeting – cattle numbers by the end of the year will be about 64,000. This is the third highest total in the last eight years. The operating budget expenses are below estimates and the income is above estimate.

12 REPORTS OF COMMITTEES AND OFFICERS

12.1 DEVELOPMENT SERVICES REPORTS

12.1.1 ASSIGNMENT OF EFFLUENT SUPPLY AGREEMENT

A Closely Associated Persons Interest was disclosed by Cr Grylls.

3:14 pm Cr Grylls withdrew from the meeting.

File No: N11542
Attachment: [Deed of Assignment](#)
Responsible Officer: Rob Stewart
Chief Executive Officer
Author: Eric Howard
Environmental Health Officer
Proposed Meeting Date: 23 June 2009

PURPOSE

The purpose of this report is to seek the Council's adoption of the Assignment of an Effluent Supply Agreement between the Constellation Australia Limited and the Shire to the Great Southern Wine Partnership and the Shire.

BACKGROUND

The Shire of Plantagenet (the Shire) has a current agreement with Constellation Australia Limited (formerly BRL Hardy Ltd.) whereby Constellation Australia Limited agreed to supply to the Shire and the Shire agreed to take delivery of effluent from the Mount Barker Wastewater Treatment Plant.

The recent change of ownership of Constellation's Omrah Vineyard property to the Great Southern Wine Partnership has required the assignment of the current Agreement dated 1999 between Constellation Australia Limited and the Shire to the Great Southern Wine Partnership and the Shire.

STATUTORY ENVIRONMENT

Corporations Act 2001

Environmental Protection Act 1986

Environmental Protection Regulations 1997

Western Australia Health Act 1911

EXTERNAL CONSULTATION

Consultation has taken place between the Council's Environmental Health Officer and representatives from the Great Southern Wine Producers and Quenby Viticultural Services.

FINANCIAL IMPLICATIONS

There are no financial implications for this report.

POLICY IMPLICATIONS

There are no policy implications for this report.

STRATEGIC IMPLICATIONS

There are no strategic implications for this report.

OFFICER COMMENT

The Assignment of the Effluent Supply Agreement between the Hardy Wine Company (Constellation) and the Shire to the Great Southern Wine Partnership and the Shire is a legal process to recognise the change of ownership of Omrah vineyard.

VOTING REQUIREMENTS

Simple Majority

OFFICER RECOMMENDATION/COUNCIL DECISION

Moved Cr J Moir, seconded Cr J Mark:

That authority be given to the Shire President and the Chief Executive Officer to affix the Common Seal of the Council to the Deed of Assignment between the Shire of Plantagenet, Constellation Australia Limited and the Great Southern Wine Partnership relating to effluent supply, as attached.

CARRIED (8/0)

NO. 168/09

3:18 pm Cr S Grylls returned to the meeting.

12.1.2 STRATEGIC WASTE MINIMISATION PLAN 2008 - GREAT SOUTHERN GROUP OF COUNCILS

File No: N11541
Responsible Officer: Rob Stewart
Chief Executive Officer
Author: Eric Howard
Environmental Health Officer
Proposed Meeting Date: 23 June 2009

PURPOSE

The purpose of this report is to seek the Council's adoption of the amended Great Southern Group of Councils Strategic Waste Minimisation Plan (SWMP).

BACKGROUND

The Council, at its meeting held on 10 February 2009 resolved:

'That the Great Southern Group of Councils Strategic Waste Minimisation Plan 2008 – 2013 be adopted.'

The SWMP was developed in collaboration with the Shires of Cranbrook and Denmark and forms the primary direction and framework to progress waste minimisation strategies within the Great Southern Group of Councils in accordance with the objectives of the Western Australian Waste Authority's vision of Towards Zero Waste.

Following the Council's adoption of the SWMP, the City of Albany expressed an interest to join the Great Southern Group of Councils waste minimisation strategies and accordingly the City adopted (17 February 2009) a revised SWMP reflecting the addition of the City of Albany.

Subsequent to the inclusion of the City of Albany, the Shire of Cranbrook withdrew its membership from the Great Southern Group of Councils and accordingly relinquished its commitment to support the initiatives of the SWMP. To reflect the accurate composition of the SWMP, the document has been amended by including reference to the City of Albany and the removal of all references relating to the Cranbrook Shire.

The intent, objectives and obligations of the SWMP remain unchanged and accordingly, the amended document should be re-considered for adoption by each respective Council to reflect the altered member composition.

STATUTORY ENVIRONMENT

Waste Avoidance and Resource Recovery Act 2007

Waste Avoidance and Resource Recovery Regulations 2008

Waste Avoidance and Resource Recovery Levy Act 2007

Waste Avoidance and Resource Recovery Levy Regulations 2008

EXTERNAL CONSULTATION

There has been discussion between senior staff from all participating member local governments and Department of Environment and Conservation (DEC) Officers.

FINANCIAL IMPLICATIONS

The implementation of the Great Southern Group of Councils Strategic Waste Minimisation Plan 2008 – 2013 will assist the Council to effectively monitor and measure waste stream volumes to enable detailed waste reduction strategies within budgetary constraints.

Through the Zero Waste Plan Development Scheme the Plantagenet Shire has received \$5,000.00 funding for the completion of the Phase 1 waste survey and will receive a further \$15,000.00 following and subject to the adoption of a Strategic Waste Management Plan.

POLICY IMPLICATIONS

There are no policy implications for this report.

STRATEGIC IMPLICATIONS

The Shire of Plantagenet Strategic Plan - Key Result Area 2 aims:

'To protect the community's health by managing waste in a timely, effective, economic and environmentally safe manner'.

OFFICER COMMENT

The Council's adoption of the revised SWMP is a formal administrative process necessary to reflect the true nature and member composition of the Great Southern Group of Councils throughout the SWMP document.

Hard copies of the SWMP document can be made available if required.

VOTING REQUIREMENTS

Simple Majority

OFFICER RECOMMENDATION/COUNCIL DECISION

Moved Cr M Skinner, seconded Cr J Mark:

That the amended Great Southern Group of Councils Strategic Waste Minimisation Plan 2008 – 2013 be adopted.

CARRIED (9/0)

NO. 169/09

12.2 WORKS AND SERVICES REPORTS

12.2.1 TENDER C07-0809 - PROVISION OF WASTE AND RECYCLING COLLECTION SERVICES

File No:	N11533
Attachment:	Waste and Recycle Tender – Financial Analysis (June 2009)
Responsible Officer:	Rob Stewart Chief Executive Officer
Author:	John Fathers Deputy Chief Executive Officer
	Ian Bartlett Manager Works and Services
Proposed Meeting Date:	23 June 2009

PURPOSE

The purpose of this report is to consider submissions from the advertising of tender C077-0809 – Provision of Waste and Recycling Collection Services.

BACKGROUND

The Council resolved, at its meeting held on 24 February 2009, that tenders be called for the provision of a combined kerbside recycling and refuse collection service for domestic, commercial and Shire bins on the Council's current refuse collection route, to commence in the 2009/2010 financial year for a period of three years.

The Shire of Plantagenet engaged the Western Australian Local Government Association (WALGA) Tender Bureau Service to conduct the tender process. The Request for Tender was advertised in The West Australian newspaper on Saturday 18 April 2009.

Tender C07-0809 closed 2.00pm on Tuesday 12 May 2009 at WALGA's office in Perth. At the close of submissions four tenders had been received from the following companies:

- Warren Blackwood Waste;
- Mount Barker Service Centre;
- Great Southern Waste Disposal; and
- Transpacific Cleanaway.

STATUTORY ENVIRONMENT

The Waste Avoidance Resource and Recovery Act 2007

Section 112 of the Health Act 1911 provides for the Council to undertake or contract for the efficient execution of the removal of household refuse within its district.

Local Government (Functions and General) Regulations, 1996 (as amended) Part 4 – Tenders for Providing Goods and Services. All contracts above \$100,000.00 (ex. GST) must be tendered for.

The tendering process for goods and services must be in accordance with sections 11, 18 and 19 of the Local Government (Functions and General) Regulations 2006. In particular, Regulation 18 outlines a number of requirements relating to the choice of tender. A Council is to decide which of the tenders is most advantageous and may decline to accept any or all the tenders received.

EXTERNAL CONSULTATION

Consultation has occurred with Craig Grant, Business Management Coordinator at WALGA.

FINANCIAL IMPLICATIONS

The Council's 2008/2009 budget provides a total cost of \$140,000.00 for refuse removal services within the Shire. The budget also provides for \$310,000.00 in expenditure for the maintenance of the various refuse sites. Therefore, a total annual cost of \$450,000.00 is expected to be incurred for the provision of refuse site maintenance and rubbish removal services in this financial year.

The budget provides for the generation of total annual income of \$150,480.00 for the refuse collection service, \$157,887.00 for the refuse site rate and \$50,000.00 for additional refuse site tipping fees, making a total of \$358,367.00 in fees and charges payable by customers as a contribution towards the provision of the above services.

As a result, the provision of such services provides a net budget deficit of \$91,633.00. Taking into account all budget items within the Refuse Collection and Waste Disposal Sites programs, the annual deficit is expected to be approximately \$134,000.00. A similar examination of the 2009/10 budget figures is made in the Officer Comment section, with a recommendation on changes to fees and charges.

An investigation has previously been carried out into the comparative costs of providing the current refuse collection service. The service is a once a week pick up in the towns of Mount Barker, Kendenup and Narrikup. The Council currently picks up approximately 1,230 mobile garbage bins (MGBs) each week from residential and commercial properties and parks, domestic bins making up approximately 1,000 of that total. The cost to provide the service using Council staff are as follows:

Shire staff currently undertake this work in approximately 29 hours over four days (1,508 hours per year). The costs to the Council are as follows:

• Direct labour	\$ 31,900.00
• Works overheads	\$ 28,710.00
• Plant costs	\$ 45,000.00
• Plant depreciation	\$ 30,000.00
TOTAL	<u>\$135,610.00</u>

The plant costs are based on the actual cost of running the Acco compactor rubbish truck in the 2007/08 financial year. The depreciation charge is based on depreciating a new truck valued at \$300,000.00 over a ten year period. This should reflect the loss on sale of a rubbish truck under any likely scenarios.

The Council will be aware that the current rubbish truck used is almost at the end of its useful life. The vehicle is a 1998 model purchased from the City of Stirling in 2004/05. The draft 2008-2013 Plant Replacement Program has provision to purchase a replacement waste truck in 2008/2009 at a net cost of \$260,000.00, however this was not funded in the budget.

The current proposal is suggested for implementation in the 2009/10 financial year.

POLICY IMPLICATIONS

Council Policy F/FM/5 – Purchasing and Tendering relates to the tendering process.

STRATEGIC IMPLICATIONS

The Shire of Plantagenet's Strategic Plan, Key Result Area 2 Infrastructure provides the following as one of its aims:

'To protect the community's health by managing waste in a timely, effective, economic and environmentally safe manner.'

OFFICER COMMENT

An Evaluation Panel was established consisting of three members from the Tender Bureau Service of WALGA. The Evaluation Panel assessed each submission in accordance with the Selection Criteria contained in the publicly advertised Request for Tender.

Compliance Criteria

Each Tender was assessed on a Yes/No basis as to whether each criterion was satisfactorily met. An assessment of 'No' against any criterion may eliminate the Tender from consideration.

- a) Compliance with the Conditions of Tendering;
- b) Compliance with Specification;
- c) Complete Pricing Schedule;
- d) Corporate Information;
 - Advise if agent or a trust for another party;
 - Provide evidence as to ability, if awarded the Contract, to fulfill the Requirements from your own resources or from resources readily available to you; and
 - Provide details of a minimum of two referees including their Name, Position, Company, Address and contact Telephone Number.
- e) Financial Position;
 - Tenderer to confirm ability to pay all debts in full as and when they fall due, and advise of any current litigation as a result of which you may be liable for \$50,000 or more.
- f) Conflict of Interest; and
 - Will any actual or potential conflict of interest in the performance of your obligations under the Contract exist if you are awarded the Contract, or are any such conflicts of interest likely to arise during the Contract?
- g) Insurance;

- Provide details of the insurance coverage currently held that meets the requirements of this Request.

Qualitative Criteria

<p>A) Organisation Capabilities Tenderer to provide details of:</p> <ul style="list-style-type: none"> • Demonstrate recent experience with contracts of similar size and scope; • Demonstrate that your organisation has the capacity to resource the work i.e. current workload versus forecast workload including this contract; • The percentage of operational capacity represented by this work; • Details of Sub-Contractors to be engaged (include qualifications and registrations); and • Demonstrated knowledge of the latest industry standards and practices. 	<p>Weighting 25 %</p>
<p>B) Key Personnel Tenderer to:</p> <ul style="list-style-type: none"> • Nominate and provide relevant experience, current qualifications and registrations, of the key personnel; and • Provide details of their experience within Local Government Asset Management. 	<p>Weighting 10 %</p>
<p>C) Performance/Operational requirements Tenderer to demonstrate an understanding of Requirements, and address how each of the following will be achieved:</p> <ul style="list-style-type: none"> • The waste collection strategy outline proposed in the tender; • Details of the proposed system for the Customer Services Centre, in particular efficiency, effectiveness and reporting systems; • Quality and standard of work; • Timeliness of work (productivity); and • Any other issues or matters which will maximise the net benefit of the Services to the Principal and community. 	<p>Weighting 15 %</p>
<p>D) Strategy for Collection Services</p> <ul style="list-style-type: none"> • Residential Waste Collection and Recycling Service; • Commercial Waste Collection and Recycling Service; and • Waste Collections from Street Litter Bins and Reserves. 	<p>Weighting 18 %</p>
<p>E) Refuse Bins And Recycling Bins</p> <ul style="list-style-type: none"> • Record Keeping Procedure. 	<p>Weighting 12 %</p>

F) Plant And Equipment <ul style="list-style-type: none"> • Supply of Plant and Equipment; • Plant and Equipment - owned or leased; • Handling of Vehicle Breakdowns; and • Maintenance Program. 	Weighting 11 %
G) Customer Service Centre <ul style="list-style-type: none"> • Procedure of Telephone Enquiries; and • Notices/information Procedure. 	Weighting 9 %
TOTAL	100%

Compliance Check

An initial compliance check was conducted by the Evaluation Panel to identify submissions that were non-conforming with the immediate requirements of the Request for Tender. This included compliance with contractual requirements and provision of requested information. It was found by the panel that the following submissions were deficient in the following areas:

a) Mount Barker Service Centre

- Compliance with Specification;
 - No demonstrated resources;
 - No demonstrated experience in Local Government Asset Management Complete Pricing schedule;
 - A price for recycle services was not submitted;
- Advise if agent or a trust for another party; and
 - No information was provided as to whether Mount Barker Service Centre is acting as an agent for another party.

b) Great Southern Waste Disposal (Great Southern);

- Advise if agent or a trust for another party;
 - No information was provided as to whether Great Southern is acting as an agent for another party.
- Provide evidence as to ability, if awarded the Contract, to fulfil the Requirements from your own resources or from resources readily available to you;
 - No information was provided by Great Southern as to whether they intend to utilise their own resources.
- Tenderer to confirm ability to pay all debts in full as and when they fall due;
 - No information was provided as to the ability of Great southern to pay its debts in full when due
- Advise of any current litigation as a result of which you may be liable for \$50,000 or more;
 - No advice in regards to any current litigation for \$50,000 or more was provided.
- Will any actual or potential conflict of interest in the performance of your obligations under the Contract exist if you are awarded the Contract, or are any such conflicts of interest likely to arise during the Contract;

- No details were provided as to any actual or potential conflicts of interest that may arise were provided.

In order to maintain a competitive process all tenders were taken for further assessment against the Qualitative Criteria.

Qualitative Criteria Assessment

The qualitative criteria assessment was carried out by the Evaluation Panel with the Evaluation Panel scoring the submissions according to the evaluation criteria as established in the publicly advertised Request for Tender.

a) Warren Blackwood Waste (Blackwoods)

Warren Blackwood Waste was established in 1985 and is based in Manjimup.

Blackwoods currently have a total of 15 contracts with local governments, 14 of which are of a similar size and scope to this request. The current contracts are predominately for local governments within the South West Region of WA.

Other services provided to local governments which are again within the South West region of WA are bulk bin services for approximately seven local governments. The current number of bin lifts conducted by Blackwoods is:

- Domestic/Commercial Waste – 15,922 per week; and
- Recycling Services – 12,102 per fortnight.

A total of nine side loader trucks is the fleet capacity of Blackwoods for the kerbside collection. Other trucks are available dependant upon the type of service required. Blackwoods have two materials recovery facilities (MRF) for disposal of any recyclables. The MRF's are located in Katanning and Manjimup.

The percentage of operational capacity represented by this Request to Blackwoods is:

- Waste collection – 7.6%; and
- Recycling collection – 7.5%.

Blackwoods have stated that they have no intention to subcontract any of the requirements of this request. However Blackwoods have provided as one of the key personnel, a motor mechanic from Belia Engineering for mechanical repairs.

In demonstrating their knowledge of the latest industry standards and practices Blackwoods have stated that they have the latest model trucks with the latest technologies and trained drivers.

While no specific experience in local government asset management was demonstrated, the experience gathered by Blackwoods in conducting similar requirements to this request should aid in the understanding of what is required.

The current service days of Wednesday and Thursday will be maintained by Blackwoods. These services will include the collection of street litter bins and reserves on the same days.

A dedicated customer service centre with an 1800 free call number is currently being operated. The customer service centre hours of operation are 7.00am – 5.00pm weekdays, with an after hours mobile number available. An individual project file will be created for each customer. All information relevant to the contact will be recorded in the file. No specific details or a sample of the information to be captured was provided in order to help demonstrate the effectiveness of the reporting/recording system. No information as to whether the call centre will identify themselves as the Council's customer service centre or Blackwoods.

Blackwoods have previously attained ISO 9001:2000 for the Provision of Municipal, Domestic and Commercial waste collection, transportation and disposal services. The certificate provided to support this claim within Blackwood's submission expired in June 2007.

To help ensure continuance of service and productivity, contingency plans in case of fuel strike, industrial strike, and phone failure have been established by Blackwoods.

The strategy provided by Blackwoods for collection services is that they will collect recycling and waste on the same days as currently conducted. This will include street litter bins and reserves.

In conducting record keeping of bins, Blackwoods will record all bin serial numbers against the location of the bin. Bin counters on the trucks will record the number of pickups.

Current plant includes nine side loaders of various capacities. The plant ranges from 1992 up to a 2002 model. A maintenance program is in place consisting of daily and weekly checks with servicing based on hours of operation. Services are conducted by a qualified motor mechanic from Belia Engineering.

To minimise any downtime due to breakdowns, all operators have been trained to undertake minor repairs as required. A qualified mechanic is on call at all times with a spare vehicle available if a replacement is required.

Blackwoods again provided information in regard to the hours of operation and a free call number being available. They also restated that an individual project file will be created for each customer. No response times to customer requests were detailed.

Blackwoods agree to the price variation mechanism being adjusted in accordance with the Perth CPI index. No other details on how this price variation mechanism is to be effected was provided.

Blackwoods can provide education for recycling and waste management to the Shire and the public by means of annual calendars with pickup dates with what can and cannot be recycled, hot stamp on top of recycle bins, flyers, newspaper notices and any other form deemed necessary.

b) Mount Barker Service Centre

The submission provided by Mount Barker Service Centre contained little or no information as to its capacity to conduct the works due to the tenderer not addressing the Qualitative Criteria in full.

Mount Barker Service Centre demonstrated no previous or current experience in waste management. No details as to how they will dispose of recyclables were provided. A separate phone number would be provided for calls.

A register of bins would be established and maintained by Mount Barker Service Centre. Mount Barker Service Centre have no plant or equipment to service this contract but have provided an offer to the Shire of Plantagenet to purchase their existing refuse truck. The offer is based upon the market value of the plant as valued by a third party.

No other resources applicable to waste and recycling collection appear to be available. Record keeping is to be conducted via a diary register with only general records on phone calls.

Mount Barker Service Centre did not submit a tender for recycling services as it does not have the infrastructure to sort this waste and due to the high cost of transporting materials. The tenderer was agreeable to negotiating a price for transporting material to Albany or Katanning.

c) Great Southern Waste Disposal (Great Southern)

The submission provided by Great Southern contained little or no information as to its capacity to conduct the works.

Great Southern state that they have been in the waste management business for 35 years and presently employ eight full time and three part time employees. They have a recycling plant in Narrogin and are currently working with local Shires towards a regional recycling service.

Great Southern have 21 current contracts with local governments for waste collection. Six of these contracts include the collection of recyclables. The size of the existing contracts appears to be of a similar size as this request.

Other experience includes the management of two tip facilities.

Great Southern have stated that a Quality Management system ISO9001:2000 is in place. No other details of this Quality system were provided.

The current fleet consists of five side lift compactor units and two back up units. No information in regards to age, capacity or maintenance programs were provided. Other than a reference to establishing an office in Mount Barker, no details were provided in regard to customer service centres. Further to this, no details were provided as to any record keeping requirements or how customer complaints will be resolved.

d) Transpacific Cleanaway (Cleanaway)

Cleanaway have 13 current contracts with local governments. Three of these contracts are for the collection of recyclables only with one being for the collection of waste only. The remainder of the contracts are for the collection of waste and recycling. While these contracts are predominately in the metropolitan area, two are for large regional local governments. All of the contracts appear to be of a larger size than this request.

A current fleet of 90 vehicles is currently being utilised by Cleanaway to service its contracts with depots located throughout Western Australia to service and house the fleet. No details on the operational capacity represented by these works were demonstrated by Cleanaway. Cleanaway have stated that no subcontractors will be utilised in performing these works.

Cleanaway will continue the current collection being on a Wednesday and Thursday. The recycling will be conducted on a fortnightly basis with 50% of the recycling service being conducted one week and the remaining 50% conducted the following week. Any overloading or contamination will be monitored by individual drivers.

If any noise issues arise in conjunction with the works, Cleanaway state they will work in conjunction with the Shire of Plantagenet to provide a resolution to these types of issues. Cleanaway will conduct an education program to educate residents in regards to the collection services provided including details of customer service centres.

An integrated management system is utilised by Cleanaway in conducting its operations includes:

- ISO 9001;
- ISO 14001; and
- AS4801

These standards were last audited in July 2007 with an expiry of 30 June 2010.

All street and reserve services will be conducted via a side loader. A current fleet of 90 vehicles is currently being utilised by Cleanaway to service its contracts with depots located throughout Western Australia to service and house the fleet. All the plant to be utilised in conducting these requirements will be owned, operated and maintained by Cleanaway.

Two side loader trucks each with a capacity of 22m³ will be dedicated to conducting the works. A service regime of every 250hrs is undertaken by Cleanaway plus the inclusion of daily checks by drivers. Backup vehicles are available if required for breakdowns.

An alternative pricing schedule was provided by Cleanaway on the basis that they will be awarded both the waste collection component and the recycling collection component of the Request for Tender.

Cleanaway has pioneered the customer service centre concept which has led to an overall improvement in customer service and the statistical reporting available to local governments. Cleanaway plans to hold continuous improvement meetings between Cleanaway management and Shire staff to discuss service improvement and performance.

Cleanaway plans to provide a comprehensive education program in relation to recycling, aimed to encourage further participation in recycling and waste minimisation, which could include:

- One month prior to service commencing – Information letters, community information night, static displays in each town, fridge magnets and a school education program; and
- When bins are delivered – Recycle bin lid sticker, audit process on collection for four weeks, customer service centre support and a contamination management strategy involving advice to residents who have two or more instances of mixing waste and recyclables.

Cleanaway has a customer complaints process, involving a database that may be accessed online by the Shire.

Cleanaway have a number of pre-qualifications as detailed below:

- That the Council agree to the inclusion of a revised rise and fall mechanism with a component specifically for fuel (for example, 10%) and that the rates received by TPI Cleanaway be adjusted quarterly from contract commencement;
- That the cost of refuse disposal is on Council's account;
- That ownership of the bins supplied by TPI Cleanaway revert to Council at the end of the Contract;
- That payment terms are assumed to be less than 30 days from lodgement of invoice(s) by TPI Cleanaway;
- That the Council agrees to include a standard form Force Majeure clause;
- TPI Cleanaway has assumed that rates are per scheduled bin collection; and
- That service numbers for invoicing be adjusted monthly for calculating payment.

Cost Comparison

Below is a table showing the fees and charges contained in the tender submissions (GST exclusive)

	Warren Blackwood	Cleanaway	Cleanaway Alternative	Great Southern Waste	Mt Barker Service Centre
	Waste Only or Waste & Recycle	Waste Only	Waste & Recycle	Waste Only or Waste & Recycle	Waste Only
	Rates \$	Rates \$	Rates \$	Rates \$	Rates \$
Rates for Residential - Waste, Recycling Service - Collection and Transport Service					
1.1 Option 1 – Bin owned by Principal per 140L bin/lift	1.45	1.77	1.52	1.00	1.80

	Warren Blackwood	Cleanaway	Cleanaway Alternative	Great Southern Waste	Mt Barker Service Centre
	Waste Only or Waste & Recycle	Waste Only	Waste & Recycle	Waste Only or Waste & Recycle	Waste Only
	Rates \$	Rates \$	Rates \$	Rates \$	Rates \$
Rates for Residential - Waste, Recycling Service - Collection and Transport Service					
1.2 Option 2 - Contractor to supply bin as part of contract price per 140L bin/lift	1.80	2.28	2.05	1.10	2.50
1.3 Option 3 – Existing 240l bin owned by Principal per 240l bin/lift	1.45	1.77	1.52	1.00	2.00
Domestic Recycling Service (Fortnightly)					
2.1 Kerbside (Current bins owned by property owners/residents) per 240L bin/lift	2.55	4.91	3.53	2.65	N/A
Rates for Commercial Waste					
1 General Waste Collection from Commercial Premises					
1.1 Kerbside (Bin owned by property owner) per 240L bin/lift	1.45	1.77	1.52	1.00	2.50
1.2 Pardelup Prison leg (Bins owned by property owner) per 240L bin/lift	1.45	1.77	1.52	1.00	15.00
Rates for Waste from Street Litter Bins and from Reserves - Collection and Transport Service					
1(a) Road Reserves per unit/pick-up	1.45	1.77	1.52	1.00	4.00
1(b) Reserves per unit/pick-up	1.45	1.77	1.52	1.00	4.00
2 Public Litter Reserve Bins (60L to 240L) per unit/pick-up	1.45	1.77	1.52	1.00	4.00
3 Bulk Waste Collections from Reserves per 240L bin/pick-up	1.45	1.77	1.52	1.00	4.00
4 Waste Collections (e.g. Frost Park) for Special Events					
4.1 Empty 240L bins per 240L bin/pick-up	1.45	1.77	1.52	1.00	Minimum charge \$120.00
Rates for Supply, Delivery, Repair and Replacement of Refuse Bins and Recycling					
1 Refuse Bins - 140L Bin					
1.1 Delivery of bin Each	4.50	6.81	6.81	Nil	5.00
1.2 Replacement of bin Each	50.00	40.19	40.19	50.00	66.00 (1,000 lots)
2 Recycling Bins - 240L Bin					
2.1 Delivery of bin Each	4.50	6.81	6.81	Not stated	5.00
2.2 Replacement of bin Each	55.70	45.13	45.13	Not stated	65.00 (1,000 lots) 77.00 (1 lot)
Miscellaneous Items					
1 Customer Service Centre (Additional \$ per month)	Nil	Nil	Nil	Nil	200.00

Qualitative Comparison

The Evaluation Panel considered all of the submissions and the points of differentiation between the submissions were as follows:

Tenderer	Qualitative Score
Warren Blackwood Waste	42.33
Mount Barker Service Centre	10.63
Great Southern Waste	8.07
Transpacific Cleanaway	45.00

After conducting the Qualitative Criteria assessment the Evaluation Panel concluded that the submissions by Mount Barker Service Centre and Great Southern Waste would not be considered further due to their low scores against the established criteria.

Basis for Recommendation

A comparison of the likely annual costs for the remaining submissions (Warren Blackwood, Cleanaway and Cleanaway Alternative) has been attached and is summarised below:

		Total \$ - Year 1	Total \$ - Ongoing
Warren Blackwood	Waste Only	\$94,250	\$94,250
	Waste & Recycle (Buy Bins)	\$210,550	\$160,550
	Waste & Recycle (Bins in Price)	\$178,750	\$178,750
Cleanaway	Waste Only	\$115,050	\$115,050
	Waste & Recycle (Buy Bins)	\$230,770	\$190,580
	Waste & Recycle (Bins in Price)	\$218,140	\$218,140

Warren Blackwood's calculated tender value for the waste only option is \$20,800.00 per year lower than Cleanaway (\$62,400.00 over three years). Warren Blackwood's calculated tender value for the waste and recycling 'buy bins up front' option is \$80,280.00 lower than Cleanaway over the three year contract. Warren Blackwood's calculated tender value is \$118,170.00 lower than Cleanaway for the 'bins in price' option over the three year contract.

The tenders submitted by Cleanaway and Warren Blackwood rated similarly in their qualitative score, with the Cleanaway submission being marginally higher. Cleanaway is a bigger firm with significant resources behind it. The evaluation team (WALGA) considered that Cleanaway would be in a better position to deal with the transition from a Shire based service to a contracted service, particularly if the recycling option is pursued. However this has not been recommended in the officer's report.

The submission from Warren Blackwood indicates that they have extensive experience with similar sized local governments and should be able to perform the contract adequately. It is the view of the administration that the waste only tender submitted by Warren Blackwood provides the best value for money for the Council and it is recommended that this tender be accepted.

It can be seen that the provision of a recycling service would cost an extra \$116,300.00 in year 1 for the 'buy bins up front' option or \$84,500.00 for the 'bins in price' option, if contracted by Warren Blackwood. The additional cost of recycling if this service was to be provided by Cleanaway is \$115,720.00 in year 1 for the 'buy

bins up front' option or \$103,090.00 for the 'bins in price' option. Given the current status with regard to the 2009/10 draft budget, it is recommended that a waste only tender be accepted.

If the Council decides to pursue recycling at some point in the future, the results of this tender clearly indicate that the most cost effective long term option would be to purchase the bins up front. The Council should consider allocating a suitable sum into a reserve fund for this purpose for when it decides to take up a recycling service.

Fees and Charges for Services

An analysis of refuse collection and waste disposal income and expenditure (excluding extraordinary items) has been carried out, based on the recommended tender for waste collection only (no recycling). The results of this analysis are detailed below. This matter has also been the subject of discussions at recent Council budget workshops.

	Adopted	Estimated	Draft
	Budget	Actual	Budget
	2008/09	2008/09	2009/10
	Rubbish Charge	Rubbish Charge	Rubbish Charge
DOMESTIC REFUSE COLLECTION	\$132.00	\$132.00	\$140.00
Operating Expenditure			
Employee Costs - Workers Compensation Insurance	(\$1,576)	(\$1,576)	\$0
Other Expenses - Refuse Collection & Recycling	(\$140,000)	(\$148,021)	(\$100,000)
Admin Services Allocation	(\$13,268)	(\$13,268)	(\$13,155)
<i>Sub-total - Cash</i>	<i>(\$154,844)</i>	<i>(\$162,865)</i>	<i>(\$113,155)</i>
Non Cash Expenses - Depreciation - Plant & Equipment	(\$5,545)	(\$5,083)	(\$5,545)
<i>Sub-total - Non Cash</i>	<i>(\$5,545)</i>	<i>(\$5,083)</i>	<i>(\$5,545)</i>
Total Operating Expenditure	(\$160,389)	(\$167,948)	(\$118,700)
Operating Income			
Other Revenue - Penalty Interest	\$1,000	\$494	\$700
Other Revenue - Rates Discount	\$0	\$0	\$0
Other Revenue - Refuse Service Interim Adjustments	\$6,000	\$6,042	\$0
Other Revenue - Refuse Service	\$155,000	\$154,308	\$172,200
Other Revenue - Sale of Surplus Materials & Scrap	\$5,000	\$10,323	\$5,000
<i>Sub-total - Cash</i>	<i>\$167,000</i>	<i>\$171,167</i>	<i>\$177,900</i>
Total Operating Income	\$167,000	\$171,167	\$177,900
<i>Surplus/Deficit - Domestic Refuse Collection</i>	<i>\$6,611</i>	<i>\$3,219</i>	<i>\$59,200</i>
	Waste Rate	Waste Rate	Waste Rate
WASTE DISPOSAL SITES	\$53.00	\$53.00	\$100.00
Operating Expenditure			
Employee Costs - Workers Compensation Insurance	(\$4,010)	(\$4,010)	(\$4,130)
Other Expenses - Licence Fees	(\$8,800)	(\$733)	(\$11,000)
Other Expenses - Telephone	(\$1,000)	(\$324)	(\$500)
Other Expenses - Water Monitoring & Reporting	(\$11,000)	(\$7,076)	(\$20,000)

	Adopted	Estimated	Draft
	Budget	Actual	Budget
	2008/09	2008/09	2009/10
	Waste Rate	Waste Rate	Waste Rate
Operating Expenditure (cont.)			
Refuse Site Maintenance	(\$365,000)	(\$360,033)	(\$370,000)
Admin Services Allocation	(\$26,250)	(\$26,250)	(\$26,027)
<i>Sub-total - Cash</i>	<i>(\$416,060)</i>	<i>(\$398,426)</i>	<i>(\$431,657)</i>
Non Cash Expenses - Depreciation - Land & Buildings	(\$4,156)	(\$3,482)	(\$3,762)
<i>Sub-total - Non Cash</i>	<i>(\$4,156)</i>	<i>(\$3,482)</i>	<i>(\$3,762)</i>
Total Operating Expenditure	(\$420,216)	(\$401,908)	(\$435,419)
Operating Income			
Rates Income - Penalty Interest	\$1,500	\$990	\$1,500
Rates Income – General Waste Levy Interim Adjustments	\$0	\$3,772	\$0
Rates Income - General Waste Levy	\$157,887	\$154,428	\$299,900
Other Revenue - Tipping Fees	\$30,000	\$32,306	\$35,000
<i>Sub-total - Cash</i>	<i>\$189,387</i>	<i>\$191,496</i>	<i>\$336,400</i>
Total Operating Income	\$189,387	\$191,496	\$336,400
<i>Surplus/Deficit - Waste Disposal Sites</i>	<i>(\$230,829)</i>	<i>(\$210,412)</i>	<i>(\$99,019)</i>
Total Surplus Deficit	(\$224,218)	(\$207,193)	(\$39,819)

The outcome of Council workshop discussions is that the Council should aim for the General Waste Levy (refuse site rate) and rubbish collection charges to be based on the self funding principle. The current status is that there is over a \$200,000.00 shortfall in expenditure over income and the current draft budget provides for a staged fee/rate increase to achieve this aim.

It is proposed that the rubbish collection charge will increase from \$132.00 to \$140.00 and the General Waste Levy will increase from \$53.00 to \$100.00. This will reduce the operating deficit to approximately \$40,000.00 in 2009/2010.

VOTING REQUIREMENTS

Simple Majority

MOTION TO PROCEED BEHIND CLOSED DOORS

The Chief Executive Officer advised that the Council move behind closed doors pursuant to section 5.23 (2)(c) of the Local Government Act to deal with a contract that may be entered into by the Shire.

Moved Cr M Skinner, seconded Cr B Hollingworth:

3:20 pm That the Council move into Confidential Session to discuss a contract that may be entered into, pursuant to section 5.23 (2)(c) of the Local Government Act.

CARRIED (9/0)

NO. 170/09

MOTION TO PROCEED IN PUBLIC

Moved Cr J Moir, seconded Cr D Nye-Chart:

3:46 pm That the meeting proceed in public.

CARRIED (9/0)

NO. 171/09

OFFICER RECOMMENDATION

That:

1. The tender submitted by Warren Blackwood for the provision of waste collection services in the Shire of Plantagenet for a three year period, in accordance with the following pricing schedule, be accepted:

For immediate implementation:	
Residential – Waste Service - Collection and Transport to Council facility	
Existing 240L bin owned by Principal or property owner per weekly bin/lift	\$1.45
Commercial Waste- Collection and Transport to Council facility	
Kerbside (Bin owned by property owner) per 240L weekly bin/lift	\$1.45
Pardelup Prison leg (Bins owned by property owner) per 240L weekly bin/lift	\$1.45
Waste from Street Litter Bins and Reserves - Collection and Transport to Council facility	
Road Reserves, Reserves, Public Litter Bins (60L and 240L) per unit/pick-up	\$1.45
Waste Collections (e.g. Frost Park) for Special Events per 240L bin/pick-up	\$1.45
Implementation at the Council's discretion:	
Domestic Recycling Service (Fortnightly)	
Kerbside (Current bins owned by property owners/residents) per 240L bin/lift	\$2.55
Residential – Waste Service (subject to kerbside recycling service being implemented) - Collection and Transport to Contractor's facility	
Bin owned by Principal or property owner per 140L bin/lift	\$1.45
Contractor to supply bin as part of contract price per 140L bin/lift	\$1.80

Rates for Supply, Delivery, Repair and Replacement of Refuse and Recycling Bins	
Refuse Bins - 140L	
Delivery of bin (each)	\$4.50
Replacement of bin (each)	\$50.00
Recycling Bins - 240L	
Delivery of bin (each)	\$4.50
Replacement of bin (each)	\$55.70
Miscellaneous Items	
Customer Service Centre (Additional \$ per month)	Nil

2. The Chief Executive Officer be authorised to negotiate a suitable start date for the contract.

COUNCIL DECISION

Moved Cr K Clements, seconded Cr J Moir:

That the Chief Executive Officer be requested to re-assess all tenders for the Provision of Waste and Recycling Collection Services and present a report to the Council meeting of 14 July 2009.

CARRIED (9/0)

NO. 172/09

Reason for Change

Councillors believed that re-assessment was necessary to enable further examination of all tenders.

12.3 COMMUNITY SERVICES REPORTS

12.3.1 POLICY REVIEW - BUSHFIRE - PERMITS TO BURN

File No: N11217
Responsible Officer: Nicole Selesnew
Manager Community Services
Author: Rayona Evans
Administration Officer (Relief)
Proposed Meeting Date: 23 June 2009

PURPOSE

The purpose of this report is to review Council Policy RS/FP/3 – Bushfire – Permits to Burn.

BACKGROUND

Council Policy RS/FP/3 – Bushfire – Permits to Burn currently reads as follows:

OBJECTIVE: *To direct bush fire control officers about conditions to be applied to Permits to Burn during Prohibited Burning Times and Restricted Burning Times.*

POLICY: *The Council will, pursuant to the Bush Fires Act 1954, regulation 15A, which authorises a local government to issue directions to a bush fire control officer as to the manner in which or the conditions under which permits to burn shall be issued by that officer, direct that:*

- (1) Protective burning around buildings as prescribed in Section 23 of the Bushfires Act be permitted throughout the Prohibited Burning Time during the hours of 6.00pm – 12.00am, upon receipt of a permit to burn.*
- (2) Permits to burn for Sunday shall not be issued during the Prohibited Burning Times.*
- (3) Permits to burn shall not be issued for Christmas Day or Good Friday.*
- (4) Permits To Burn bush on land growing subterranean clover for the purpose of harvesting subterranean clover shall not be issued during the Prohibited Burning Times except by the Chief Bush Fire Control Officer, the Fire Weather Officer, the Deputy Fire Weather Officer or the Chief Executive Officer.*
- (5) Permits issued by clover burning officers during the Prohibited Burning Times to burn on land growing subterranean clover pursuant to Sections 24 and 24A of the Bush Fires Act 1954 shall not be for areas exceeding seventy-five hectares.'*

STATUTORY ENVIRONMENT

The Bush Fires Act 1954 and Bush Fire Regulations 1954 govern the requirement to obtain permits to burn during the Restricted Burning Period.

FINANCIAL IMPLICATIONS

There are no financial implications for this report.

POLICY IMPLICATIONS

The review of this policy is presented to the Council as part of the ongoing Council policy review cycle.

STRATEGIC IMPLICATIONS

The Council's strategic Plan Key Area 1, (New Initiative 1.4) provides for the following:

'Ensure the Administrative system and framework of the organisation effectively and efficiently permit the functions of the organisation to be undertaken.'

To achieve this we will:

'Revise all policies, procedures and delegations to ensure internal consistency and convergence; and

Promote and provide access to policies, procedures, standards and legislations.'

OFFICER COMMENT

It is considered that the current policy is sufficient and should be endorsed.

VOTING REQUIREMENTS

Simple Majority

OFFICER RECOMMENDATION/COUNCIL DECISION

Moved Cr B Hollingworth, seconded Cr S Grylls:

That Council Policy RS/FP/3 – Bushfire – Permits To Burn, as follows:

'OBJECTIVE:

To direct bush fire control officers about conditions to be applied to Permits to Burn during Prohibited Burning Times and Restricted Burning Times.

POLICY:

The Council will, pursuant to the Bush Fires Act 1954, Bush Fires Regulations 15A, which authorises a local government to issue directions to a bush fire control officer as to the manner in which or the conditions under which permits to burn shall be issued by that officer, direct that:

- 1. Protective burning around buildings as prescribed in Section 23 of the Bushfires Act be permitted throughout the Prohibited Burning Time during the hours of 6.00pm – 12.00am, upon receipt of a permit to burn.**

2. **Permits to burn for Sunday shall not be issued during the Prohibited Burning Times.**
3. **Permits to burn shall not be issued for Christmas Day or Good Friday.**
4. **Permits To Burn bush on land growing subterranean clover for the purpose of harvesting subterranean clover shall not be issued during the Prohibited Burning Times except by the Chief Bush Fire Control Officer, the Fire Weather Officer, the Deputy Fire Weather Officer or the Chief Executive Officer.**
5. **Permits issued by clover burning officers during the Prohibited Burning Times to burn on land growing subterranean clover pursuant to Sections 24 and 24A of the Bush Fires Act 1954 shall not be for areas exceeding 75ha.'**

be endorsed.

CARRIED (9/0)

NO. 173/09

12.3.2 POLICY REVIEW - BUSHFIRE GUIDELINES - VEHICLE MOVEMENT BANS

File No: N11219
Responsible Officer: Nicole Selesnew
Manager Community Services
Author: Rayona Evans
Administration Officer (Relief)
Proposed Meeting Date: 23 June 2009

PURPOSE

The purpose of this report is to review Council Policy RS/FP/2 - Bushfire Guidelines – Vehicle Movement Bans.

BACKGROUND

Council Policy RS/FP/2 – Bushfire Guidelines – Vehicle Movement Bans currently reads as follows:

OBJECTIVE: *The objective of this Policy is to provide clear guidelines on activities that may occur during a Harvest Ban and / or Vehicle Movement Operation of Combustion Engine Ban.*

DEFINITIONS:

Constructed Gazetted Road

A constructed gazetted road is defined as having a trafficable surface, free of all inflammable material and a minimum of four metres wide. Overhanging vegetation has to be pruned back so as not to come into contact with parts of a vehicle.

Registered On and Off Loading Area

A Registered On and Off Loading Area is defined as an area free of inflammable material, except live standing trees to a radius of fifty metres from the centre of the area.

Mobile Fire Fighting Unit

A mobile fire fighting unit is defined as having a minimum water carrying capacity of four hundred litres, fitted with a minimum of twenty metres of nineteen millimetre diameter fire fighting hose and pump capable of delivering water through an adjustable nozzle in the spray and jet configurations.

Harvest Ban

Any operation of machinery involved in harvesting seed crops / timber and / or other produce must come to a complete stop in paddocks when a ban is in place.

Vehicle Movement / Operation of Combustion Engines Ban

No vehicles to be driven unless on a constructed gazetted road and / or front entrance of property residences when the ban is in place and no combustion engines are to be operated.

POLICY:

The following regulated activities may take place when a Harvest Ban and / or Vehicle Movement / Operation of Combustion Engines Ban is in place:

-
- (a) *Loading and offloading of grain, fertiliser and feed is only permitted on sites which are approved and registered by the Council on an annual basis and which comply with the definition of a Registered On and Off Loading area. A mobile fire fighting unit shall be in attendance at all times the site is in use during the ban period.*
 - (b) *Water carting for stock and domestic purposes, provided a mobile fire fighting unit accompanies the vehicle being used for water carting purposes, or alternatively, the water carting vehicle acts as the mobile fire fighting unit and meets the requirements as detailed in the definition of a mobile fire fighting unit (including the retention of 400 litres at all times).*
 - (c) *All necessary travel to, from and within piggeries (both intensive and extensive), sheep or cattle feed lots, provided this is undertaken in or is accompanied by a mobile fire fighting unit.*
 - (d) *All necessary carting of livestock, provided that a mobile fire fighting unit accompanies such a vehicle.*
 - (e) *Activities which received specific exemptions from the Shire or the Chief Bush Fire Control Officer.*
 - (f) *All other activities or operations may only be undertaken during Harvest Bans and / or Vehicle Movement / Operation of Combustion Engines Bans after approval has been granted by the Council. Approval must be sought on an individual basis and if granted, may be subject to certain conditions.'*

STATUTORY ENVIRONMENT

The Bush Fires Act 1954 governs the requirement to enforce Vehicle Movement Bans.

FINANCIAL IMPLICATIONS

There are no financial implications for this report.

POLICY IMPLICATIONS

The review of this policy is presented to Council as part of the ongoing Council policy review cycle.

STRATEGIC IMPLICATIONS

The Council's strategic Plan Key Area 1, (New Initiative 1.4) provides for the following:

'Ensure the Administrative system and framework of the organisation effectively and efficiently permit the functions of the organisation to be undertaken.'

To achieve this we will:

'Revise all policies, procedures and delegations to ensure internal consistency and convergence; and

Promote and provide access to policies, procedures, standards and legislations.'

OFFICER COMMENT

It is considered that the current policy is sufficient and should be endorsed, subject to some minor numbering changes.

VOTING REQUIREMENTS

Simple Majority

OFFICER RECOMMENDATION/COUNCIL DECISION

Moved Cr B Hollingworth, seconded Cr K Clements:

That Council Policy RS/FP/2 – Vehicle Movement Bans, as follows:

OBJECTIVE:

The objective of this Policy is to provide clear guidelines on activities that may occur during a Harvest Ban and/or Vehicle Movement Operation of Combustion Engine Ban.

DEFINITIONS:**Constructed Gazetted Road**

A constructed gazetted road is defined as having a trafficable surface, free of all inflammable material including overhanging vegetation to a minimum of four metres wide.

Registered On and Off Loading Area

A Registered On and Off Loading Area is defined as an area free of inflammable material, except live standing trees to a radius of fifty metres from the centre of the area.

Mobile Fire Fighting Unit

A mobile fire fighting unit is defined as having a minimum water carrying capacity of four hundred litres, fitted with a minimum of twenty metres of nineteen millimetre diameter fire fighting hose and pump capable of delivering water through an adjustable nozzle in the spray and jet configurations.

Harvest Ban

Any operation of machinery involved in harvesting seed crops/timber and/or other produce must come to a complete stop in paddocks when a ban is in place.

Vehicle Movement/Operation of Combustion Engines Ban

No vehicles to be driven unless on a constructed gazetted road and/or front entrance of property residences when the ban is in place and no combustion engines are to be operated.

POLICY:

The following regulated activities may take place when a Harvest Ban and/or Vehicle Movement/Operation of Combustion Engines Ban is in place:

1. Loading and offloading of grain, fertiliser and feed is only permitted on sites which are approved and registered by the Council on an annual basis and which comply with the definition of a Registered On and Off Loading area. A mobile fire fighting unit shall be in attendance at all times the site is in use during the ban period.
2. Water carting for stock and domestic purposes, provided a mobile fire fighting unit accompanies the vehicle being used for water carting purposes, or alternatively, the water carting vehicle acts as the mobile fire fighting unit and meets the requirements as detailed in the definition of a mobile fire fighting unit (including the retention of 400 litres at all times).
3. All necessary travel to, from and within piggeries (both intensive and extensive), sheep or cattle feed lots, provided this is undertaken in or is accompanied by a mobile fire fighting unit.
4. All necessary carting of livestock, provided that a mobile fire fighting unit accompanies such a vehicle.
5. Activities which received specific exemptions from the Shire or the Chief Bush Fire Control Officer.
6. All other activities or operations may only be undertaken during Harvest Bans and/or Vehicle Movement/Operation of Combustion Engines Bans after approval has been granted by the Council. Approval must be sought on an individual basis and if granted, may be subject to certain conditions.'

be endorsed.

CARRIED (7/2)

NO. 174/09

12.3.3 POLICY REVIEW - NATURAL DISASTER RELIEF

File No: N11235
Responsible Officer: Nicole Selesnew
Manager Community Services
Author: Rayona Evans
Administration Officer (Relief)
Proposed Meeting Date: 23 June 2009

PURPOSE

The purpose of this report is to review Council Policy RS/ES/1 – Natural Disaster Relief.

BACKGROUND

Council Policy RS/ES/1 – Natural Disaster Relief currently reads as follows:

OBJECTIVE:

The objective of this Policy is to provide assistance to victims of a natural disaster which has occurred within the Shire of Plantagenet.

POLICY:

To assist people that are genuine natural disaster victims, Building Licence fees shall be donated by the Chief Executive Officer for the replacement of buildings on the same site and of a similar size and structure to buildings irreparably damaged or destroyed during the natural disaster.

This Policy will only be applicable when the Shire President has determined that the event is a natural disaster.

Building Licence fees may only be donated to a maximum of \$750.00 for any one (1) building.'

FINANCIAL IMPLICATIONS

Building Licence fees include statutory and Council fees and comprise a Builders Registration Board fee, a Building Construction Industry Training Fund levy (only applicable for structures valued at more than \$20,000.00) and a Council fee. The minimum Building Licence fee is \$124.00.

The average Building Licence fee for a single dwelling is \$752.28 and \$124.00 for a carport. It is proposed that \$750.00 remain the maximum donation payable by the Chief Executive Officer.

POLICY IMPLICATIONS

The review of this policy is presented to the Council as part of the ongoing Council policy review cycle.

STRATEGIC IMPLICATIONS

The Council's strategic Plan Key Area 1, (New Initiative 1.4) provides for the following:

'Ensure the Administrative system and framework of the organisation effectively and efficiently permit the functions of the organisation to be undertaken.'

To achieve this we will:

'Revise all policies, procedures and delegations to ensure internal consistency and convergence; and

Promote and provide access to policies, procedures, standards and legislations.'

OFFICER COMMENT

It is considered that the current policy is sufficient. However a provision relating to budgetary allocation has been incorporated.

VOTING REQUIREMENTS

Simple Majority

OFFICER RECOMMENDATION/COUNCIL DECISION

Moved Cr K Clements, seconded Cr B Hollingworth:

That amended Council Policy RS/ES/1 – Natural Disaster Relief, as follows:

OBJECTIVE:

The objective of this Policy is to provide assistance to victims of a natural disaster which has occurred within the Shire of Plantagenet.

POLICY:

To assist people that are genuine natural disaster victims, Building Licence fees (to a maximum of \$750.00 for any one building) shall be donated by the Chief Executive Officer, subject to budgetary allocation, for the replacement of buildings on the same site and of a similar size and structure to buildings irreparably damaged or destroyed during the natural disaster.

This Policy will only be applicable when the Shire President has determined that the event is a natural disaster.'

be endorsed.

CARRIED (7/2)

NO. 175/09

12.3.4 POLICY REVIEW - ROAD VERGE BURNING POLICY

File No: N11236
Responsible Officer: Nicole Selesnew
Manager Community Services
Author: Rayona Evans
Administration Officer (Relief)
Proposed Meeting Date: 23 June 2009

PURPOSE

The purpose of this report is to review Council Policy I/R/15 – Road Verge Burning Policy.

BACKGROUND

Council Policy I/R/15 – Road Verge Burning Policy currently reads as follows:

OBJECTIVE:

The objective of this Policy is to provide clear guidelines for the burning of road verges throughout the Plantagenet Shire.

POLICY:

- (1) *The burning of vegetative matter on any roads, streets or ways under the care and control of the Shire of Plantagenet must be authorised by the Council (under delegation to the Chief Executive Officer). Authorisation will be conditional upon the following:*
 - (a) *Roadside burning should only be carried out if no other options for fire hazard management are available;*
 - (b) *Burning is only to be permitted at the conclusion of the Restricted Burning Period (unless a permit has been authorised by a Shire of Plantagenet authorised Fire Control Officer);*
 - (c) *The applicant complies with all requirements of the Bush Fires Act 1954;*
 - (d) *All applications must be inspected by a Shire of Plantagenet Bush Fire Brigade Fire Control Officer (FCO) and, if necessary, any requirements detailed by the FCO (recorded on the application form) adhered to;*
 - (e) *The applicant ensures the protection of standing timber and complies with the Council's policy to protect and preserve natural vegetation on road reserves wherever possible. No burning of well-conserved or semi-conserved bush areas may occur without authorisation from the Council;*
 - (f) *The burning of the roadside will not cause any direct or indirect damage to declared rare flora or fauna;*
 - (g) *No damage is caused to fences, roads, road furniture, drainage structures, public utilities or other property in the vicinity;*

- (h) *If an application has been received by a resident / land owner, road verge burning may only occur adjacent to the resident / land owner's property;*
 - (i) *A maximum 2,000m strip may be burnt per year;*
 - (j) *The applicant installs the appropriate traffic warning devices;*
 - (k) *No obstruction of roadways or drainage channels by fallen trees or other debris occurs; and*
 - (l) *Consideration should be given to the potential for smoke pollution.*
- (2) *The Chief Executive Officer is delegated the authority to approve Road Verge Burning applications, in accordance with this Policy.'*

STATUTORY ENVIRONMENT

The Bush Fires Act 1954 enforces the restrictions and requirements for Road Verge Burning.

FINANCIAL IMPLICATIONS

There are no financial implications for this report.

POLICY IMPLICATIONS

The review of this policy is presented to the Council as part of the ongoing Council policy review cycle.

STRATEGIC IMPLICATIONS

The Council's strategic Plan Key Area 1, (New Initiative 1.4) provides for the following:

'Ensure the Administrative system and framework of the organisation effectively and efficiently permit the functions of the organisation to be undertaken.'

To achieve this we will:

'Revise all policies, procedures and delegations to ensure internal consistency and convergence; and

Promote and provide access to policies, procedures, standards and legislations.'

OFFICER COMMENT

The wording regarding delegated authority should be removed as it is considered unnecessary.

VOTING REQUIREMENTS

Simple Majority

OFFICER RECOMMENDATION/COUNCIL DECISION

Moved Cr J Moir, seconded Cr M Skinner:

That amended Council policy I/R/15 – Road Verge Burning Policy:

OBJECTIVE:

The objective of this Policy is to provide clear guidelines for the burning of road verges throughout the Plantagenet Shire.

POLICY:

The burning of vegetative matter on any roads, streets or ways under the care and control of the Shire of Plantagenet must be authorised by the Council (under delegation to the Chief Executive Officer). Authorisation will be conditional upon the following:

- a) Roadside burning should only be carried out if no other options for fire hazard management are available;
- b) Burning is only to be permitted at the conclusion of the Restricted Burning Period (unless a permit has been authorised by a Shire of Plantagenet authorised Fire Control Officer);
- c) The applicant complies with all requirements of the Bush Fires Act 1954;
- d) All applications must be inspected by a Shire of Plantagenet Bush Fire Brigade Fire Control Officer (FCO) and, if necessary, any requirements detailed by the FCO (recorded on the application form) adhered to;
- e) The applicant ensures the protection of standing timber and complies with the Council's policy to protect and preserve natural vegetation on road reserves wherever possible. No burning of well-conserved or semi-conserved bush areas may occur without authorisation from the Council;
- f) The burning of the roadside will not cause any direct or indirect damage to declared rare flora or fauna;
- g) No damage is caused to fences, roads, road furniture, drainage structures, public utilities or other property in the vicinity;
- h) If an application has been received by a resident/land owner, road verge burning may only occur adjacent to the resident/land owner's property;
- i) A maximum 2km strip may be burnt per year;
- j) The applicant installs the appropriate traffic warning devices;
- k) No obstruction of roadways or drainage channels by fallen trees or other debris occurs; and
- l) Consideration should be given to the potential for smoke pollution.'

be endorsed.

CARRIED (9/0)

NO. 176/09

12.3.5 POLICY REVIEW - USE OF A CIRCUS VENUE

File No: N11245
Responsible Officer: Nicole Selesnew
Manager Community Services
Author: Rayona Evans
Administration Officer (Relief)
Proposed Meeting Date: 23 June 2009

PURPOSE

The purpose of this report is to review Council policy A/PA/10 – Use of a Circus Venue.

BACKGROUND

Council Policy A/PA/10 – Use of a Circus Venue currently reads as follows:

OBJECTIVE: *To provide guidelines on the appropriate venue for a circus in Mount Barker.*

POLICY: *The Council will, with regard to a circus venue in Mount Barker, permit the use of Frost Oval (north) for such purposes subject to:*

- (1) All normal charges and bonds being paid in advance;*
- (2) Evidence of a Public Liability Insurance Cover to the sum of \$10 million being sighted to the satisfaction of the Chief Executive Officer;*
- (3) The circus performance not clashing with any other scheduled event at Frost Park (north);*
- (4) Any damage to Frost Park (north) being repaired by the circus operators at their expense.*
- (5) Circus organisers obtaining all necessary permits and approvals prior to the event.'*

FINANCIAL IMPLICATIONS

There are no financial implications for this report.

POLICY IMPLICATIONS

The review of this policy is presented to Council as part of the ongoing Council policy review cycle.

STRATEGIC IMPLICATIONS

The Council's strategic Plan Key Area 1, (New Initiative 1.4) provides for the following:

'Ensure the Administrative system and framework of the organisation effectively and efficiently permit the functions of the organisation to be undertaken.'

To achieve this we will:

‘Revise all policies, procedures and delegations to ensure internal consistency and convergence; and

Promote and provide access to policies, procedures, standards and legislation.’

OFFICER COMMENT

It is considered that the current policy is sufficient. However the public liability cover has been increased in line with current practices.

VOTING REQUIREMENTS

Simple Majority

OFFICER RECOMMENDATION/COUNCIL DECISION

Moved Cr J Moir, seconded Cr B Hollingworth:

That amended Council policy A/PA/10 – Use of a Circus Venue:

‘OBJECTIVE:

To provide guidelines on the appropriate venue for a circus in Mount Barker.

POLICY:

The Council will, with regard to a circus venue in Mount Barker, permit the use of Frost Park (north) for such purposes subject to:

1. All normal charges and bonds being paid in advance.
2. Evidence of a Public Liability Insurance Cover to the sum of \$20 million being sighted to the satisfaction of the Chief Executive Officer.
3. The circus performance not clashing with any other scheduled event at Frost Park.
4. Any damage to Frost Park being repaired by the circus operators at their expense.
5. Circus organisers obtaining all necessary permits and approvals prior to the event.’

be endorsed.

CARRIED (9/0)

NO. 177/09

12.4 CORPORATE SERVICES REPORTS

12.4.1 POLICY ADOPTION - ASSET MANAGEMENT

File No: N11532
Responsible Officer: Rob Stewart
Chief Executive Officer
Author: John Fathers
Deputy Chief Executive Officer
Proposed Meeting Date: 23 June 2009

PURPOSE

The purpose of this report is to consider and endorse a proposed Asset Management Policy.

BACKGROUND

One of the key challenges for the Shire of Plantagenet, and local government generally, is that of achieving financial sustainability. Historically, local government has been under-funded and has an eroding funding base which has not been maintained at real cost levels. Councils have also assumed more services and functions through cost shifting by other tiers of government, increased demands from communities and the continuing evolution of local government.

A key conclusion of the Western Australian Systemic Sustainability Study (SSS) was that there are shortcomings in existing financial governance policies and practices of WA councils, which is clear from operating deficits and mounting infrastructure backlogs. Some of the deficiencies relate to asset recording and measurement and asset management. This policy seeks to overcome some of those deficiencies.

The SSS stated that improving such policies and practices would not only prompt councils to do more to ensure their financial sustainability, but might also convince other governments that increasing grant funding to local government could after all be a prudent use of taxpayer funds.

The WALGA submission to the State Infrastructure Task Force indicated that Councils were underspending on the maintenance of the State's road system under their control by at least \$80 million per annum and an increase in expenditure of 30% was required to maintain the current level of the road infrastructure.

To remain viable and to manage community assets under the control of local government a range of policy settings has been suggested in SA and NSW. The Queensland Treasury Corporation has also identified a number of benchmark financial ratios for that state. Local governments need to adopt many of these suggestions and to be prepared to make tough decisions to ensure their long term sustainability.

Local governments have been encouraged to support an industry wide approach to developing long term asset management, replacement and renewal programs and standardising methods of depreciation across the industry. The Shire of Plantagenet

has chosen to participate in the Western Australian Asset Management Improvement (WAAMI) program to assist in the development of a strategic asset management framework.

WAAMI was developed by a Western Australian Industry working group based on similar work undertaken in other states. It has been promoted in Western Australia by the Western Australian Local Government Association and seeks to facilitate local government asset management in Western Australia. It achieves this by:

- Building awareness through presentations and workshops;
- Providing tools such as templates for plans and policies; and
- Developing a self assessment and improvement framework.

It is intended to develop a strategic asset management framework based on four stages, being: policy, strategy, plans and operations. The development of an Asset Management Policy is the first step, and encourages a whole of organisation commitment to the principles of sound asset management.

STATUTORY ENVIRONMENT

Asset Management is a core function of managing the Shire's assets, which meets the objectives of section 2.7 of the Local Government Act 1995, as follows.

'2.7. The role of the council

(1) The council —

- (a) directs and controls the local government's affairs; and*
- (b) is responsible for the performance of the local government's functions.*

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

- (a) oversee the allocation of the local government's finances and resources; and*
- (b) determine the local government's policies.'*

EXTERNAL CONSULTATION

Consultation has occurred with representatives of CT Management who are conducting the WAAMI program.

FINANCIAL IMPLICATIONS

There are no financial implications for this report.

POLICY IMPLICATIONS

The adoption of a new Asset Management Policy is proposed.

STRATEGIC IMPLICATIONS

Key Results Area 2 provides the following measure of success in the Transport and Infrastructure category:

'Development of asset management and information systems to more effectively utilise scarce resources.'

Key Results Area 3 provides the following new initiatives in the Community Services category:

'3.1 Review the utilisation, and economic and social value to the community, of the Council's current community services and facilities.

To achieve this we will:

- *Evaluate different options for providing community services and facilities;*
- *Develop an appropriate and equitable pricing policy for community facilities and programs;*
- *Carry out evaluations of user satisfaction with services and facilities.'*

Key Results Area 5 provides the following measure of success in the Strategic Planning category:

'Decreasing cost of non scheduled maintenance of community assets.'

OFFICER COMMENT

Some research has been undertaken into the WA SSS report, and similar reports from other states, the results of which have been built into this and other policies being developed.

Financial sustainability is achieved when service and infrastructure levels and standards are delivered according to a long term plan without the need to increase rates or reduce services. Long term financial sustainability is important if the Council is to deliver the services and programs expected by the community. It is also important that community assets are maintained so that the cost does not become a burden for future ratepayers.

The proposed Asset Management Policy provides clear direction as to how the Council, as custodian of community assets, will manage the Shire's infrastructure within an asset management framework. It also provides a strategic approach in decision making in relation to assets.

The Asset Management Policy summarises the responsibilities of the Council and staff, and includes the key principles that will be used to make informed decisions in relation to assets. This policy is needed to demonstrate a strong commitment to care for the Council's assets for present and future communities. This will be achieved by supporting sustainable innovative services, making socially responsible decisions and demonstrating good governance.

The policy provides for the creation of an internal Asset Management Working Group, which will be responsible for the development of a Strategic Asset Management Framework that integrates policy and strategy to improve asset management and capital investment across the organisation. The framework will comprise a package of procedures, strategies and plans that will facilitate the provision of quality advice to the CEO and the Council to support strategic decision-making.

The framework will also assist business improvement in the organisation by making recommendations on:

- increasing the utilisation of existing assets;
- rationalisation of assets, including the closure/disposal of underperforming facilities; and
- implementing continuous improvement plans.

VOTING REQUIREMENTS

Simple Majority

OFFICER RECOMMENDATION/COUNCIL DECISION

Moved Cr J Mark, seconded Cr B Hollingworth:

That Policy No. A/PA/15 Asset Management, as follows:

'DIVISION	BUSINESS UNIT	RESPONSIBILITY AREA
Corporate Services	Administration	Property Administration

OBJECTIVE:

To ensure that services provided by the Shire of Plantagenet continue to be delivered in a sustainable manner. This will be achieved by ensuring that the assets used to support the service delivery continue to function to the level of service determined by the Council.

It will also provide clear direction as to how the Council, as custodian of community assets, will manage those assets within an Asset Management Framework.

POLICY:

The Shire of Plantagenet is committed to ensuring that Asset Management is recognised as a major corporate function within the Council and that staff are committed to supporting the function in line with this policy.

The Shire is committed to making informed decisions in relation to its assets. To achieve this, the Shire will prepare an Asset Management Improvement Strategy (AMIS) that will guide the implementation of asset management practices across the organisation with the major outcome being the adoption by the Council of an Asset Management Plan(AMP) for the following classes of assets:

- a) Roads, pathways and road drainage;
- b) Buildings;
- c) Parks and reserves (including sporting fields and water bodies);
- d) Waste disposal sites; and
- e) Other assets (including saleyards, cemeteries and radio masts).

AMP will form part of the Shire's day-to-day business practices. They will define the level of service to be provided and will be used to make informed decisions in relation to considering the need to maintain or renew existing assets, acquire new assets, upgrade existing assets or dispose of assets to support service delivery. AMPs will include financial modelling of the renewal profile of each asset class.

The Council will develop and implement a long term (10 year) 'rolling' financial plan (LTFP) that incorporates infrastructure renewal requirements as identified within the various AMPs.

In making informed decisions in relation to assets, the Shire will consider the following key principles:

1. Philosophy of renewing assets before acquiring new assets.
2. Where possible, rationalising assets that are no longer used or do not provide the necessary level of service defined for that asset.
3. Prior to consideration of any major refurbishment or improvement to an asset, a critical review of the following shall occur as part of the evaluation process:
 - a) Need for the facility (short and long term);
 - b) Legislative requirements;
 - c) Opportunities for rationalisation;
 - d) Future liability including ultimate retention/disposal; and
 - e) Opportunities for multiple use.
4. All capital works projects in excess of \$100,000.00 will be evaluated in accordance with a capital evaluation model and take into account capital cost, ongoing cost of maintenance, refurbishment, replacement and operating cost ('whole of life' cost assessment). Projects will be assessed against the objectives and priorities within corporate planning documents, including the Strategic Plan, Plan for the Future and AMPs.
5. In respect to road infrastructure, the Council will aim to maximise state and federal grants and recognise the need to allocate sufficient local government funds on road projects in each year to support this aim.

RESPONSIBILITY AND REPORTING

Council - Responsible for approving (including amendments to) this Policy, the AMIS and AMPs. The Council is also responsible for ensuring (upon recommendation of the CEO) that resources are allocated to achieve the objectives of the above documents. In adopting AMPs, the Council is also determining the Level of Service for each asset class.

Chief Executive Officer (CEO) - Responsible for ensuring that systems are in place to ensure that this Policy, the AMIS and AMPs are prepared and kept up to date, reviewed at least annually and that recommendations are put to the Council in relation to appropriate resource allocation to fulfil the objectives of the above documents. The CEO reports to the Council on all matters relating to asset management.

Asset Management Working Group (AMWG) – Responsible for co-ordinating the development of this Policy, the AMIS and AMPs. Where problems or changes to these documents are identified, the AMWG is responsible for reporting this to the CEO for consideration.

All Managers – Responsible for supporting the allocation of staff to the AMWG and ensuring that resources under their control are appropriately allocated to achieving the AMIS. All Managers report to the CEO on all matters relating to the implementation of AMPs under their area of control.

POLICY DEFINITIONS

‘Asset’ means a physical item that is owned or controlled by the Shire of Plantagenet, and provides or contributes to the provision of service to the community (In this context are fixed assets that support the delivery of services to the community such as roads, buildings and parks).

‘Asset Management’ means the processes applied to assets from their planning, acquisition, operation, maintenance, replacement and disposal, to ensure that the assets meet the Council’s priorities for service delivery.

‘Asset Management Plan’ means a plan developed for the management of an asset or asset category (that includes community service, technical and financial considerations) over the lifecycle of the asset.

‘Level of Service’ means the combination of function, design and presentation of an asset. The aim of asset management is to match the asset and level of service to the community expectation, need and level of affordability.

‘Life Cycle’ means the cycle of activities that an asset goes through while it retains an identity as a particular asset.

‘Whole of life cost(s)’ means the total cost of an asset throughout its life including planning, design, construction, acquisition, operation, maintenance, and rehabilitation and disposal costs.

‘Maintenance’ means regular ongoing day-to-day work necessary to keep the asset operating and to achieve its optimum life expectancy.

‘Operations’ means the regular activities to provide public health, safety and amenities and to enable the assets to function e.g.: road sweeping, grass mowing, cleaning, street lighting and graffiti removal.

‘New’ means creation of a new asset to meet additional level of service requirements.

‘Resources’ means the combination of plant, labour and materials, whether they be external (contractors/consultants) or internal (staff/day labour).

‘Renewal’ means the restoration, rehabilitation or replacement of an existing asset to its original capacity. This may include the fixture of new components necessary to meet new legislative requirements in order that the asset may achieve compliance and remain in use.

‘Renewal Profile’ means a predicted future capital expenditure profile necessary to achieve a user-defined asset condition outcome.

‘Risk’ means the probability and consequence of an event that could impact on the Council’s ability to meet its corporate objectives.

‘Stakeholders’ are those people/sectors of the community that have an interest or reliance upon an asset and who may be affected by changes in the level of service of an asset.

'Upgrade' means the enhancement of an existing asset to provide a higher level of service.'

be adopted.

CARRIED (9/0)

NO. 178/09

12.4.2 POLICY REVIEW - F/FM/6 - FINANCIAL MANAGEMENT - BORROWINGS AND ASSET FINANCING

File No: N10967
Responsible Officer: Rob Stewart
Chief Executive Officer
Author: Cherie Delmage
Accountant
Proposed Meeting Date: 23 June 2009

PURPOSE

The purpose of this report is to review Council Policy No. F/FM/6 – Financial Management - Borrowing Program.

BACKGROUND

At its meeting held 23 January 2007, the Council resolved:

'That amended Council Policy F/FM/6 – Financial Management - Borrowing Program, as follows:

OBJECTIVE:

To publicly acknowledge the limits of the potential for the Council's indebtedness to lending agencies and satisfy the Western Australian Treasury Corporation in that any new borrowings will not place financial stress on the local government.

POLICY:

The Council will, with regard to setting its annual budget and making decisions on borrowings from external agencies, aim that the following financial ratios are maintained within limits recommended by the Shire's auditors:

1. *Debt Service Ratio A – 10%*

This ratio means:

$$\frac{\text{Debt Service Cost}}{\text{Available Operating Revenue}}$$

2. *Debt Service Ratio B – 30%*

This ratio means:

$$\frac{\text{Debt Service Cost}}{\text{Total Rate Revenue}}$$

3. *Gross Debt to Revenue Ratio – 50%*

This ratio means:

$$\frac{\text{Gross Debt}}{\text{Total Revenue}}$$

be adopted.'

STATUTORY ENVIRONMENT

Local Government is no longer required to obtain the Treasurer's approval to borrow funds pursuant to Section 6.21 of the Local Government Act. Nevertheless the Western Australian Treasury Corporation will only lend once the Corporation is satisfied that any new borrowings will not place financial stress on the Local Government. This means that financial information will need to be provided to the Corporation to obtain funds.

FINANCIAL IMPLICATIONS

There are no financial implications for this report.

POLICY IMPLICATIONS

This policy has been reviewed as part of the Council's ongoing policy review cycle.

STRATEGIC IMPLICATIONS

There are no strategic implications for this report.

OFFICER COMMENT

Debt Ratios:

Debt Ratios measure the ability of a local government to service debt and its capacity to borrow. The recently released Western Australian Local Government Accounting Manual – Edition 1 – October 2008 (Manual) aims to provide a consistent guide to all Western Australian Local Governments in their accounting practices and was prepared by the Department of Local Government and Regional Development in conjunction with the Western Australian Local Government Association's Systemic Sustainability Study.

Some excerpts follow:

*'Debt Service Ratio =
$$\frac{\text{Debt Service Cost (Principal \& Interest On Loans)}}{\text{Available Operating Revenue}}$$*

This ratio measures a local government's ability to service debt (principal and interest) out of its Available Operating Revenue.

The lower the ratio the greater the ability of a local government to service debt. A ratio less than 0.1:1 is desirable.'

and

*'Gross Debt To Revenue Ratio =
$$\frac{\text{Total Borrowings \& Utilised Overdraft}}{\text{Total Revenue}}$$*

The ratio is a measure of a local government's ability to service debt in any given year out of total revenue.

The lower the percentage the greater is the financial ability of a local government to service borrowings out of total revenue each year. A ratio of less than 0.6:1 is desirable and indicates that a local government has sufficient revenue to service its external borrowings.'

A further ratio, although not required by regulations, is recommended by our Auditors, UHY Haines Norton in monitoring our financial borrowings. This is:

$$\text{Debt Service Ratio B} = \frac{\text{Debt Service Cost (Principal \& Interest On Loans)}}{\text{Total Rate Revenue}}$$

The auditors advise that debt management can become an issue for the Council when Ratio A exceeds 10% but can still be considered acceptable up to 15% if Ratio B is below 30% or a large component of the borrowings consist of self supporting loans.

Treasury Corporation borrowing limits are 10% for the Debt Service Ratio A and 60% for the Net Debt to Revenue Ratio.

A local government's position with respect to such ratios can only accurately be determined using budget figures (for the current year) and annual financial accounts (for the preceding year). A revised position can be estimated at a particular point in time based on part year totals.

The Council's recent and current budgeted and actual have been calculated as follows:

	2004/2005 Actual	2005/2006 Actual	2006/2007 Actual	2007/2008 Actual	2008/2009 Budget
Debt Service Ratio A	4.00%	6.70%	6.90%	6.10%	6.46%
Debt Service Ratio B	8.37%	16.51%	15.97%	14.02%	14.10%
Gross Debt to Revenue	64.70%	80.90%	64.40%	58.40%	59.74%

As can be seen from the figures shown above, the Debt Service Ratio A and Ratio B are within the recommended limits in each year. However, the Gross Debt to Revenue Ratio has been higher than recommended in previous years although it has returned to within recommended guidelines recently.

It should be noted that ratios are often subject to differing interpretations and therefore, whilst the imposition of such a policy is a prudent measure, it is considered that the policy should be more a guide than a definitive requirement.

This report recommends a revised policy whereby the Council will aim to meet the 60% Gross Debt to Revenue Ratio recommended by the Manual. The other ratios listed in the policy can remain unchanged.

This policy will enable the Council to be aware of its financial position when considering further borrowings and make informed decisions based on all of the circumstances in each case. It will also ensure that the raising of the additional debt will not detrimentally affect the financial standing of the Council such that financial institutions might reassess the financial support of the Shire, or the Council's financial position would be judged as counter to best practice or industry trends.

Asset Financing:

The Council has had the above borrowing policy and a number of unwritten guidelines in place when considering budgets and borrowings for major projects. However, it was considered prudent to formalise these into an updated policy, which could define situations where borrowing for new and major refurbishments of infrastructure assets (such as buildings and major facilities) is appropriate.

It is considered that the current policy could be amended to formulate a new 'Borrowings and Asset Financing Policy', to recognise the degree to which borrowing is acceptable, to determine what circumstances borrowing should and should not be utilised, consider funding strategies for major categories of services as well as satisfying the Western Australian Treasury Corporation in that any new borrowings will not place financial stress on the Council.

The intergenerational equity concept is the allocation of costs associated with capital expenditures. The Council recognises that the borrowing of funds to undertake infrastructure and facilities projects is a desirable aspect of sustainable financial management. A borrowing strategy should recognise that new infrastructure and facilities projects will provide long-term benefits to future generations who should contribute to the cost of these projects.

Nevertheless, where the Council can predict/plan for future new capital expenditures, it should endeavour to accumulate funds until the project is to be implemented in an attempt to minimise the financial impact on sustainability. This may be by provision of cash reserves, budgetary allocation, debt, and where possible, seeking grant funding.

The provisions of the draft policy help to ensure intergenerational equity i.e.: if the Council were to save for that asset this would involve ratepayers contributing funds towards construction who may never enjoy the use of the asset. Other provisions enable the use of loan funds in circumstances where there is a clear advantage over all other funding options or in circumstances where positive gearing is possible. For example, the income stream (including capital growth) from acquiring or constructing the asset is greater than the cost of borrowing such as in a commercial property.

The policy provides that Shire will strive to achieve a high reliance on pay-as-you-go financing for its capital improvements. Pay-as-you-go financing refers to financing strategies that pay for spending increases or revenue reductions from current resources and without increasing a deficit or debt financing. It contrasts with pay-as-you-use (debt) financing whereby capital outlays are paid for as they are used through debt service payments. Pay-as-you-go financing can include:

- a) Securing of capital grants for such projects as the Council has done for the Plantagenet Medical Centre;
- b) Use of reserve funds;
- c) Increasing rates or setting a prescribed area rate; or
- d) Additional income from the project, such as commercial rental.

The policy references the Council's Self Supporting Loans policy, where the borrowings are undertaken for a third party and all costs met by that party. The policy also recognises a situation where if a project is delayed, the costs of undertaking that project will increase at a faster rate than if the project was undertaken expeditiously.

VOTING REQUIREMENTS

Simple Majority

OFFICER RECOMMENDATION

Moved Cr J Mark, seconded Cr B Hollingworth:

That amended Council Policy F/FM/6 – Financial Management – Borrowings and Asset Financing, as follows:

OBJECTIVE:

To recognise the degree to which borrowing is acceptable, determine in what circumstances borrowing should and should not be utilised, consider funding strategies for major assets and categories of services and satisfy the Western Australian Treasury Corporation that any new borrowings will not place financial stress on the Council.

POLICY:

1. Long-term borrowing will not be used to finance current operations or normal maintenance.
2. The Shire will strive to achieve a high reliance on pay-as-you-go financing for its capital improvements.
3. All debt issued, including by lease purchase methods, will be repaid within a period not to exceed the expected useful lives of the improvements financed by the debt.
4. The Council may consider borrowing proposals on their merits from time to time and give favourable consideration to borrowing money for the acquisition or construction of an asset under the following circumstances:
 - a) Where the asset to be acquired is a new addition to Council's asset base and the project contributes to the achievement of an identified strategic objective; or
 - b) Where the asset replaces an existing asset and has an useful life of greater than 10 years; or
 - c) Where the asset is required urgently and unexpectedly or a significant community need for the asset has been identified; and
 - d) One of the following funding conditions exists:
 - i) The project will reduce operating costs to an extent sufficient to cover the cost of the project and generate further savings to the Shire;
 - ii) The borrowing cost could be supported by additional revenue over the effective life of the project;
 - iii) All alternative options for undertaking the project without borrowing have been investigated and proven less advantageous to the Council;
 - iv) The income stream from the asset to be acquired or constructed exceeds the cost of borrowing over the life of that asset;
 - v) Repayments will be met by a third party such as self supporting loans and the financial stability of that party

- meets the criteria as set out in the Self Supporting Loans Policy;
- vi) To save for the acquisition or construction will result in the actual cost being greater than the cost of borrowing the money and acquiring it today; or
 - vii) To delay a project would jeopardise it due to grant funding restrictions or opportunities.
5. Where surplus funds are available, the decision to repay or reduce borrowings should be made based on the facts available at the time giving due regard to minimising the overall cost to the Council.
6. The Council will, with regard to setting its annual budget and making decisions on borrowings from external agencies, aim to maintain the following financial ratios within the limits stated:
- a) Debt Service Ratio A – Less than 10%
This ratio means:
$$\frac{\text{Debt Service Cost}}{\text{Available Operating Revenue}}$$
 - b) Debt Service Ratio B – Less than 30%
This ratio means:
$$\frac{\text{Debt Service Cost}}{\text{Total Rate Revenue}}$$
 - c) Gross Debt to Revenue Ratio – Less than 60%
This ratio means:
$$\frac{\text{Gross Debt}}{\text{Total Revenue}}$$

be endorsed.

AMENDMENT

Moved Cr J Moir, seconded Cr D Nye-Chart:

That at point 6 c) the number '60' be deleted and replaced with '50'

LOST (2/7)

COUNCIL DECISION

The substantive motion was put.

CARRIED (8/1)

NO. 179/09

12.4.3 LIST OF ACCOUNTS - MAY 2009

File No: N11531
Attachments: List of Accounts
Responsible Officer: John Fathers
Deputy Chief Executive Officer
Author: Donna Jo Fawcett
Debtors/Creditors Officer
Proposed Meeting Date: 23 June 2009

PURPOSE

The purpose of this report is to present the list of payments that were made during the month of May 2009.

STATUTORY ENVIRONMENT

Regulation 13 of the Local Government (Financial Management) Regulations 1996 defines the reporting requirements to the Council of the List of Accounts.

FINANCIAL IMPLICATIONS

There are no financial implications for this report.

POLICY IMPLICATIONS

There are no policy implications for this report.

STRATEGIC IMPLICATIONS

There are no strategic implications for this report.

VOTING REQUIREMENTS

Simple Majority

OFFICER RECOMMENDATION

Moved Cr B Hollingworth, seconded Cr M Skinner:

That the payment of accounts for the month of May 2009 covering the following:

- a) Electronic Payments and Direct Debits totalling \$367,413.64;
- b) Municipal Cheques 40001 - 40082 totalling \$937,105.10; and
- c) Trust Cheques 257 – 260 totalling \$31,996.50.

be approved.

CARRIED (9/0)

NO. 180/09

12.4.4 FINANCIAL STATEMENTS - MAY 2009

File No:	N11514
Attachments:	Financial Statements
Responsible Officer:	Rob Stewart Chief Executive Officer
Author:	Cherie Delmage Accountant
Proposed Meeting Date:	23 June 2009

PURPOSE

The purpose of this report is to present the financial position of the Shire of Plantagenet for the period ending 31 May 2009.

STATUTORY ENVIRONMENT

Regulation 34 of the Financial Management Regulations (1996) requires a Statement of Financial Activity to be prepared each month which is to contain the following details:

- a) annual budget estimates;
- b) budget estimates to the end of the month;
- c) actual amount of expenditure and revenue;
- d) material variances between comparable amounts in (b) and (c) above; and
- e) the net current assets at the end of the month to which the statement relates (i.e.: surplus/(deficit) position).

The Statement is to be accompanied by:

- a) explanation of the composition of net current assets, less committed assets and restricted assets;
- b) explanation of the material variances; and
- c) such other information considered relevant by the local government.

FINANCIAL IMPLICATIONS

There are no financial implications for this report.

POLICY IMPLICATIONS

There are no policy implications for this report.

STRATEGIC IMPLICATIONS

There are no strategic implications for this report.

VOTING REQUIREMENTS

Simple Majority

OFFICER RECOMMENDATION

Moved Cr M Skinner, seconded Cr J Mark:

That the Financial Statements for the period ended 31 May 2009 be received.

CARRIED (9/0)

NO. 181/09

12.4.5 LONG TERM FINANCIAL PLAN – WORKING GROUP

File No: N11534
Responsible Officer: Rob Stewart
Chief Executive Officer
Author: John Fathers
Deputy Chief Executive Officer
Proposed Meeting Date: 23 June 2009

PURPOSE

The purpose of this report is to consider establishing a working group comprising three Elected Members, the Chief Executive Officer and Deputy Chief Executive Officer to develop and report back to the Council on a Long Term Financial Plan (LTFP).

BACKGROUND

The Council has for some years been aware of the need to prepare a formal LTFP. A series of finance, budget and asset management policies have been under development as a prelude to the preparation of an LTFP. The Council has also chosen to participate in the Western Australian Asset Management Improvement (WAAMI) program to assist in the development of a strategic asset management framework.

STATUTORY ENVIRONMENT

There are no statutory implications for this report.

FINANCIAL IMPLICATIONS

There are no financial implications for this report.

POLICY IMPLICATIONS

There are no policy implications for this report.

STRATEGIC IMPLICATIONS

The preparation of such policies and plans will facilitate sound financial management and give guidance to the preparation of future budgets.

OFFICER COMMENT

The preparation of policies and strategies currently underway will underpin the development the LTFP. Two of the policies have been listed on the agenda for the Council meeting to be held on 23 June 2009. A further report relating to financial management and budget preparation has been drafted and a copy of this report has been circulated to elected Members under separate cover.

However, the preparation of a meaningful LTFP will require the inclusion of specific goals for the provision and upgrade of facilities and assets. Consideration needs to be given to the options for funding such works, including the allocation of moneys to Reserve Funds in a planned and structured manner.

It is considered desirable to have input from Elected Members on this report prior to presentation to the Council. Elected member input will also be required on the specific projects to be included in a LTFFP.

It is further considered that at least one of those Elected Members should be a member of the Recreation Advisory Committee as those Councillors will have the detailed knowledge of the proposals in the Recreation Precinct Planning Study, which is likely to comprise a large proportion of the Shire's capital works projects in the next 5-10 years.

VOTING REQUIREMENTS

Simple Majority

OFFICER RECOMMENDATION

That:

1. A working group be established comprising three Elected Members, the Chief Executive Officer and Deputy Chief Executive Officer to develop a Long Term Financial Plan and report back to the Council no later than 22 September 2009.
2. Cr, Cr and Cr be appointed to the working group referred to in Part 1 above.

Pursuant to Standing Order 9.4 the Presiding Member directed that the points be taken as separate motions and be recast accordingly.

COUNCIL DECISION

Moved Cr K Clements, seconded Cr J Mark:

That a working group be established comprising three Elected Members, the Chief Executive Officer and Deputy Chief Executive Officer to develop a Long Term Financial Plan and report back to the Council no later than 22 September 2009.

CARRIED (9/0)

NO. 182/09

Moved Cr D Nye-Chart, seconded Cr S Grylls:

That Cr K Clements, Cr J Moir and Cr M Skinner be appointed to the working group referred to in the motion above (Resolution No. 182/09).

CARRIED (9/0)

NO. 183/09

12.4.6 ROYALTIES FOR REGIONS - COUNTRY LOCAL GOVERNMENT FUND – AMENDMENT TO ALLOCATION

File No: N11529
Responsible Officer: Rob Stewart
 Chief Executive Officer
Author: John Fathers
 Deputy Chief Executive Officer
Proposed Meeting Date: 23 June 2009

PURPOSE

The purpose of this report is to seek approval to amend the allocation of Royalties for Regions Country Local Government Funding.

BACKGROUND

At its meeting held on 20 January 2009, the Council resolved that the Department of Local Government and Regional Development be advised that the Shire of Plantagenet is pleased to accept \$1,071,541.00 pursuant to the Royalties for Regions Country Local Government Fund 2008/2009 and that such funding will be utilised for the following purposes:

Project Priority Year	Project	Estimated Cost	Comments	Recommended Allocation Year 1 (State)
1	New Cemetery Stage 1	\$450,000 - \$100,000 (Federal) \$300,000 (State) \$50,000 (Council Budget)	Includes drainage, roadworks - (bitumen), earthworks for graves, reticulation, e.g.: Shed, fence and contingency budget. Does include toilet.	\$300,000
1	Wilson/Centenary Park Upgrade (Not including Wool Shed) - Toilets \$100,000 - Landscaping \$200,000 - Playground \$60,000	\$360,000 \$270,000 (State)	Landscaping can wait, but will need to put up a shade structure over the Playground. \$50,000 available from Public Open Space. \$23,000 available from State Govt. playground funding. \$25,000 Council Budget for Toilet. Recommend construction of toilet and playground in Year 1 will require \$60,000 State funding.	\$60,000
1	Lowood Road Townscape	\$40,000	To be done now	\$40,000

1	Kendenup Footpaths	\$200,000		\$200,000
1	Road Verge Pruning (Yellanup, Spencer Road etc) - Focus on TIRES funded roads	\$200,000		\$200,000
1	Recreation Developments	\$100,000	For development and implementation of Master Plan in years 1 and 2	\$100,000
1	Implement Signs Policy	\$80,000		\$80,000
1 and 2	Skate Parks - Mount Barker and Kendenup	\$300,000	\$100,000 in year 1 and \$100,000 in year 2. Gross up with funding from other sources. The \$100,000 in blue in the Recommended Allocation Year 1 to go into Reserve.	\$100,000
			TOTAL	\$1,080,000

Notwithstanding this, the allocation of Royalties for Regions funding was amended by the Council at its meeting held on 12 May 2009 such that:

- (a) *The \$60,000.00 identified for playground equipment in Wilson/Centenary Park is allocated to the toilets component of that redevelopment.*
- (b) *The \$100,000.00 identified for the development of a master plan for recreation developments be allocated to Sounness Park - Recreation Assessment Implementation.'*

The Department of Local Government and Regional Development has advised that the allocation of future Royalties for Regions Country Local Government Funding will only be received when all previous year funding has been committed or spent. The proposal to allocate \$100,000.00 to a Reserve Fund for skate parks in Mount Barker and Kendenup would not fulfil this requirement. It is therefore recommended that an alternative project be chosen.

STATUTORY ENVIRONMENT

There are no statutory implications for this report.

EXTERNAL CONSULTATION

Consultation has occurred with a representative of the Department of Local Government and Regional Development.

FINANCIAL IMPLICATIONS

There are no direct financial implications for this report.

POLICY IMPLICATIONS

There are no policy implications for this report.

STRATEGIC IMPLICATIONS

There are no strategic implications for this report.

OFFICER COMMENT

Discussions at recent Council budget workshops have resulted in a proposal for the allocation of \$100,000.00 to a Reserve Fund for skate parks in Mount Barker and Kendenup to be re-directed to a project that can be commenced immediately, in line with the requirements of the Royalties for Regions Country Local Government Fund.

A project that was included in the draft budget but which has not yet had funds allocated is the upgrade of Frost Pavilion. The kitchen and showers in the pavilion are in need of refurbishment. In addition, a proper entrance to the facility is required.

Nicole Selesnew, Manager of Community Services, has advised that she has been working with both the Kendenup and Mount Barker groups to progress skate park construction projects in each community with the intent of finishing at least one of the developments in 2009/2010 financial year utilising the money allocated to the Reserve Fund.

The allocation has also been highlighted in funding applications sent to organisations such as the Office of Crime Prevention and the Great Southern Development Commission's Regional Development Scheme as a Shire contribution to the proposed skate park projects.

Ms Selesnew has noted that the reallocation of the funding from skate parks to another project will reduce the Shire and community's ability to attract grant funding from other sources. An option is to reallocate \$50,000 to an upgrade of Frost Pavilion and to retain \$50,000 for a skate park development which can be used to leverage further funding and realise a skate park development at an agreed site over the next twelve months.

Budget discussions have also given rise to a proposal to transfer \$20,000.00 of the original \$80,000.00 signs policy allocation to sanitary and lighting facilities at the Council waste disposal sites. The Council has an occupational safety and health obligation to provide adequate workplace facilities for its staff. It is estimated that such facilities at four sites will cost around \$20,000.00.

VOTING REQUIREMENTS

Simple Majority

OFFICER RECOMMENDATION

Moved Cr K Clements, seconded Cr B Hollingworth:

That notwithstanding the decisions of the Council at its meetings held on 20 January 2009 and 12 May 2009, the allocation of Royalties for Regions funding be amended such that:

1. The \$100,000.00 identified to be transferred to a Reserve Fund for Skate Parks in Mount Barker and Kendenup be allocated to the following:
 - a) \$50,000.00 for the upgrade/refurbishment of Frost Pavilion; and
 - b) \$50,000.00 for the construction of a skate park in either Mount Barker or Kendenup.
2. \$20,000.00 of the original \$80,000.00 identified for the implementation of the signs policy be allocated to the provision of sanitary and lighting facilities in Council attended waste facilities.

AMENDMENT

Moved Cr J Mark, seconded Cr M Skinner:

That a part (3) be added to the motion as follows:

- '3. That the \$100,000.00 allocated for the Recreation Assessment Implementation for Sounness Park be now allocated to Frost Pavilion in addition to the \$50,000.00 already noted.'

CARRIED (9/0)

NO. 183/09

AMENDMENT

Moved Cr M Skinner,

That the words 'or Kendenup' be deleted from part 1 b) of the motion.

MOTION LAPSED FOR WANT OF A SECONDER

COUNCIL DECISION

That notwithstanding the decision of the Council at its meetings held on 20 January 2009 and 12 May 2009, the allocation of Royalties for Regions funding be amended such that:

1. The \$100,000.00 identified to be transferred to a Reserve Fund for Skate Parks in Mount Barker and Kendenup be allocated to the following:
 - a) \$50,000.00 for the upgrade/refurbishment of Frost Pavilion; and
 - b) \$50,000.00 for the construction of a skate park in either Mount Barker or Kendenup.
2. \$20,000.00 of the original \$80,000.00 identified for the implementation of the signs policy be allocated to the provision of sanitary and lighting facilities in Council attended waste facilities.
3. That the \$100,000.00 allocated for the Recreation Assessment Implementation for Sounness Park be now allocated to Frost Pavilion in addition to the \$50,000.00 already noted.

CARRIED (9/0)

NO. 184/09

12.4.7 ELECTIONS 2009 - LOCAL GOVERNMENT - METHOD OF VOTING

File No: N11651
Responsible Officer: Rob Stewart
Chief Executive Officer
Author: John Fathers
Deputy Chief Executive Officer
Proposed Meeting Date: 23 June 2009

PURPOSE

The purpose of this report is to appoint the Western Australian Electoral Commission to be responsible for the conduct of the October 2009 Ordinary Local Government Elections, and to endorse those elections to be conducted as postal ballots.

BACKGROUND

The Council has used the Western Australian Electoral Commission to conduct postal voting elections for every election held since May 1988.

STATUTORY ENVIRONMENT

Section 4.61 (1) of the Local Government Act 1995 states:

'The election can be conducted as a –

"postal election" which is an election at which the method of casting votes is by posting or delivering them to an electoral officer on or before election day; or

"voting in person election" which is an election at which the principal method of casting votes is by voting in person on election day but at which votes can also be cast in person before election day, or posted or delivered, in accordance with regulations.'

Section 4.61 (2) of the Local Government Act 1995 states:

'The Local Government may decide (absolute majority required) to conduct the election as a postal election.'

Section 4.20(4) of the Local Government Act 1995 states:

'A Local Government may, having first obtained the written agreement of the Electoral Commissioner, declare (absolute majority required) the Electoral Commissioner to be responsible for the conduct of an election, or all elections conducted within a particular period of time, and, if such a declaration is made, the Electoral Commissioner is to appoint a person to be the returning officer of the local government for the election or elections.'

FINANCIAL IMPLICATIONS

An amount of approximately \$16,400.00 would need to be allocated in the 2009/2010 budget for the conduct of the 2007 elections. Costs not included in this estimate include:

- Non-statutory advertising (i.e. additional advertisements in community newspapers and promotional advertising);
- Any legal expenses other than those that are determined to be borne by the Western Australian Electoral Commission in a Court of Disputed Returns; and
- One local government staff member to work in the polling place on election day.

There are plans to change the voting system from proportional preferential back to first pass the post, however it this would not affect the costs applicable.

POLICY IMPLICATIONS

There are no policy implications for this report.

STRATEGIC IMPLICATIONS

There are no strategic implications for this report.

OFFICER COMMENT

It is recommended that October 2009 Local Government Ordinary Elections be held as a postal ballot, to be conducted by the Electoral Commission of Western Australia.

VOTING REQUIREMENTS

Absolute Majority

OFFICER RECOMMENDATION/COUNCIL DECISION

Moved Cr J Moir, seconded Cr D Nye-Chart:

That:

1. In accordance with Section 4.20(4) of the Local Government Act 1995, the Electoral Commissioner of Western Australia be responsible for the conduct of the Shire of Plantagenet 2009 Ordinary Local Government Elections together with any other elections or polls which may also be required.
2. In accordance with Section 4.61(2) of the Local Government Act 1995, the method of conducting the election will be as a postal election.

CARRIED (9/0)

Absolute Majority

NO. 185/09

12.5 EXECUTIVE SERVICES

Nil

13 MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil

**14 NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY
DECISION OF THE MEETING**

Nil

15 CONFIDENTIAL**15.1 EXECUTIVE SERVICES REPORTS****15.1.1 CHIEF EXECUTIVE OFFICER REVIEW AND CONTRACT NEGOTIATION**

File No: N11101
Responsible Officer: Rob Stewart
Chief Executive Officer
Author: Rob Stewart
Chief Executive Officer
Proposed Meeting Date: 23 June 2009

PURPOSE

The purpose of this report is to present to the Council the recommendations resulting from the Chief Executive Officer's review which was held on 19 May 2009.

Further, this report will make recommendations regarding the Chief Executive Officer's Contract renewal.

OFFICER RECOMMENDATION**MOTION TO PROCEED BEHIND CLOSED DOORS**

Moved Cr J Moir, seconded Cr K Clements:

5:23 pm That the meeting move into Confidential Session to consider this item under the terms of the Local Government Act 1995 Section 5.23 (2)(a) as follows:

- a) a matter affecting an employee or employees.

CARRIED (9/0)

NO. 186/09

All staff withdrew from the meeting.

MOTION TO SUSPEND STANDING ORDERS

Moved Cr J Moir, seconded Cr B Hollingworth:

5:25 pm That those sections of Standing Orders that would prevent any Councillor from speaking twice to a motion or which would prevent a Councillor speaking when no motion was before the Chair be suspended.

CARRIED (9/0)

NO. 187/09

MOTION TO RESUME STANDING ORDERS

Moved Cr D Nye-Chart, seconded Cr S Grylls:

5:55 pm That Standing Orders be resumed.

CARRIED (9/0)

NO. 188/09

MOTION TO PROCEED IN PUBLIC

Moved Cr M Skinner, seconded Cr B Hollingworth:

5:57 pm That the meeting proceed in public.

CARRIED (9/0)

NO. 189/09

OFFICER RECOMMENDATION

Moved Cr B Hollingworth, seconded Cr D Nye-Chart:

That:

1. Being satisfied with the conditions of the proposed Contract of Employment for the position of Chief Executive Officer such contract be offered to Robert John Stewart on the terms and conditions as outlined in that contract for the period 1 July 2010 to 30 June 2014 and that authority be granted to the Shire President and Chief Executive Officer to affix the Common Seal of the Council to the document.
2. The Chief Executive Officer be requested to continue to develop Financial Statements and Budget Reviews, including Project and Works Progress Reports to provide meaningful information to the Council and that the State of the District Report be continued to be developed and that directions of the Council continue to be implemented and reported on in a timely manner.

AMENDMENT

Moved Cr J Moir, seconded Cr D Nye-Chart:

That after the word 'manner' in part 2 of the motion the following be added:

'including:

- i) the development of quarterly the development of quarterly capital works completion targets for 2009/2010;
- ii) the development of a 5 year budget by 30 September 2009; and
- iii) advising the Council of any potential threats and opportunities that may impact on the Shire's current and future financial position.

3. The points raised in (2) above be reported to the Council by the CEO at not less than quarterly briefing sessions.

CARRIED (9/0)

NO. 190/09

COUNCIL DECISION

That:

1. Being satisfied with the conditions of the proposed Contract of Employment for the position of Chief Executive Officer such contract be offered to Robert John Stewart on the terms and conditions as outlined in that contract for the period 1 July 2010 to 30 June 2014 and that authority be granted to the Shire President and Chief Executive Officer to affix the Common Seal of the Council to the document.
2. The Chief Executive Officer be requested to continue to develop Financial Statements and Budget Reviews, including Project and Works Progress Reports to provide meaningful information to the Council and that the State of the District Report be continued to be developed and that directions of the Council continue to be implemented and reported on in a timely manner including:
 - i) the development of quarterly capital works completion targets for 2009/2010;
 - ii) the development of a 5 year budget by 30 September 2009; and
 - (iii) advising the Council of any potential threats and opportunities that may impact on the Shire's current and future financial position.
3. The points raised in (2) above be reported to the Council by the CEO at not less than quarterly briefing sessions.'

CARRIED (9/0)

Absolute Majority

NO. 191/09

16 CLOSURE OF MEETING

6:00 pm The Presiding Member declared the meeting closed.

CONFIRMED: CHAIRPERSON _____ **DATE:** ____ / ____ / ____