



HEAVY PLANT REVIEW COMMITTEE

MINUTES

Section 5.9(2)(c) LGA 1995

The function of the Heavy Plant Committee is to review the 12 Year Plant Replacement Program annually prior to budget adoption and to make recommendations to the Council as to plant purchases to be funded.

Ordinary Meeting of the Heavy Plant Review Committee
Held in the Council Committee Room
Lowood Road, Mount Barker WA 6324
9.30am Tuesday 28 January 2020

ROB STEWART
CHIEF EXECUTIVE OFFICER

Committee Members

Cr C Pavlovich, Cr J Oldfield, Cr L Handasyde, Cr J Moir (Resolution No. 205/19)

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Presiding Member: Cr J Oldfield

Membership: Quorum (2)

Cr L Handasyde

Cr J Oldfield

Cr J Moir

Cr C Pavlovich

1 DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS

At 9.35am, Mr Lynch declared the meeting open.

2 RECORD OF ATTENDANCE / APOLOGIESMembers Present

Cr J Oldfield	Council Representative
Cr L Handasyde	Council Representative
Cr C Pavlovich	Council Representative
Cr J Moir	Council Representative

Staff

Mr D Lynch	Executive Manager Works and Services
Mrs H Buffham	Administration Officer, Works and Services

3 DISCLOSURE OF INTEREST

Part 5 Division 6 Local Government Act 1995

Nil.

4 ELECTION OF CHAIRPERSON

Mr Lynch called for nominations for the position of Presiding Member.

Cr Handasyde nominated Cr Oldfield.

As there were no other nominations Cr Oldfield was declared Presiding Member.

5 CONFIRMATION OF MINUTES

Moved Cr L Handasyde, Seconded Cr J Moir;

That the Minutes of the Ordinary Meeting of the Heavy Plant Committee, held on 4 December 2018 as circulated, be taken as read and adopted as a correct record.

CARRIED

6 REPORTS OF COMMITTEE MEMBERS AND OFFICERS

6.1 HEAVY PLANT – AMENDMENT TO REPLACEMENT SCHEDULE

File Ref:	N50585
Responsible Officer:	David Lynch Executive Manager Works and Services
Author:	Nicole Selesnew Project Officer
Proposed Meeting Date:	28 January 2020

PURPOSE

The purpose of this report is to recommend an amendment to the Heavy Plant Replacement Program for 2019/2020.

BACKGROUND

The Council at its Special Meeting held on 9 July 2019 resolved to accept the Shire Budget for 2019/2020, including the Plant Replacement program. The Plant Replacement Program – Heavy Plant listed three items for replacement:

- Skid Steer Loader (L13);
- Isuzu FVR Medium 4x2 Truck (T2); and
- Isuzu NPR 250/300 Crew Cab Truck (T5).

Following the adoption of the budget, the Saleyards Manager raised a need for a 3.5 to 4.0 tonne capacity tip truck to carry out a range of tasks necessary for the management of the Saleyards. The Isuzu NPR300 4x2 Tip Truck (T30) currently used by the Shire Mechanic was identified as a suitable option. T30 is proposed for replacement in 2021/2022.

In order to consider supporting the Saleyards with the transfer of T30 in the current financial year, the replacement of either T2 or T5 will need to be delayed.

STATUTORY ENVIRONMENT

There are no statutory implications for this report.

EXTERNAL CONSULTATION

Consultation has taken place with the Saleyards Manager and Saleyards Advisory Committee. Pickles Auctions Pty Ltd has viewed T5 and T30 and has provided auction value estimates.

FINANCIAL IMPLICATIONS

Heavy plant purchases are funded from the Plant Replacement Reserve. The 2019/2020 Budget lists the following in relation to Heavy Plant Truck Replacements:

Vehicle	Purchase Price (\$)	Sale Price (\$)	Net Cost (\$)
Isuzu FVR 1000 Medium (4x2) Truck (T2)	(150,000)	25,000	(125,000)
Isuzu NPR 250/300 Crew Cab (T5)	(155,000)	35,000	(120,000)

Pickles Auctions provided an auction valuation for T30 in December 2019 of \$16,500.00. If the reallocation of T30 to the Saleyards was approved, a transfer of funds from the Saleyards Business Cost Code to the Plant Replacement Reserve, based on the auction valuation, will need to be effected.

An indicative costing to replace T30 was sourced in January 2020 which amounted to \$75,200.00. If the proposed changes were effected, the Heavy Truck Plant Replacement would be as follows:

Vehicle	Purchase Price (\$)	Sale Price (\$)	Net Cost (\$)
Isuzu NPR Tip Truck (T30)	(75,200)	16,500	(58,700)

POLICY IMPLICATIONS

Council Policy I/PM/1 Plant – General applies.

STRATEGIC IMPLICATIONS

The Shire of Plantagenet Strategic Community Plan 2017–2026 provides at Outcome 4.1 (Effective governance and leadership) the following strategy:

Strategy 4.1.4:

'Support strategic alliances, stakeholder forums and advisory committees that assist Shire in policy development and service planning.'

Accordingly, the recommended outcome for this report aligns with the Strategic Community Plan.

Further, the Shire of Plantagenet Corporate Business Plan 2019/2020 – 2022/2023 includes Actions 2.6.1.2 and 2.6.1.3:

'Ensure the Council has an efficient and cost effective light fleet management program' and

'Ensure the Council has an efficient and cost effective plant and machinery management program.'

Accordingly, the recommended outcome for this report aligns with the Corporate Business Plan.

OFFICER COMMENT

The proposal to transfer T30 to the Saleyards is based on several needs identified by the Saleyards Manager. These include:

- a) Carcass transport / removal;
- b) Pen cleaning and manure removal;
- c) Carting gravel and dirt to pens;
- d) Hay transport; and
- e) Movement of plant and equipment around the yards and to and from the Shire Depot.

The Saleyards currently relies on Works and Services staff to undertake these tasks or they borrow a truck and do it themselves. The Saleyards light vehicle (or staff personal vehicles) is also currently used for these tasks which presents some occupational health and safety concerns.

The Saleyards Advisory Committee (SAC) has noted the benefits of purchasing T30 to streamline productivity and logistics and has requested some additional information and financials to confirm the purchase.

To effect the transfer of T30 to the Saleyards, the replacement of T2 or T5 will need to be delayed.

Consultation with the Shire Mechanic has identified that T2 is the preferred truck to retain and T5 should be replaced.

T2 is a 2010 model. The odometer reading is 132,649km at 1 January 2020. The truck requires a new clutch kit valued at approximately \$1,200.00. Following the clutch repairs the truck should remain a reliable vehicle.

Truck T5 is a 2011 model and has carried out 177,959km of service. The reliability of the truck is questionable due to a hole in the housing of the air filter which allowed debris to move into the turbo and engine before it was addressed. It is unknown what extent of damage this may have caused. The truck has steering issues which have been largely resolved with the replacement of wheel bearings and steering tyres, but there is potential that the steering housing will need to be replaced.

VOTING REQUIREMENTS

Simple Majority

OFFICER RECOMMENDATION

That it be a recommendation to the Council:

That subject to confirmation from the Saleyards Advisory Committee that it will purchase the Isuzu NPR300 4x2 Tip Truck (T30) for \$16,500.00, the following amendments to the 2019/2020 Plant Replacement Program – Heavy Plant:

Plant Item	Budget	Trade	Net
Skid Steer Loader (L13)	(\$95,000)	15,000	(\$80,000)
Isuzu NPR 250/300 Crew Cab (T5)	(155,000)	35,000	(120,000)
Isuzu NPR 300 (T30)	(75,200)	16,500	(58,700)

be endorsed.

COMMITTEE DECISION

Moved Cr L Handasyde, Seconded Cr J Moir;

That it be a recommendation to the Council:

1. That subject to confirmation from the Saleyards Advisory Committee that it will purchase the Isuzu NPR300 4x2 Tip Truck (T30) for \$16,500.00, the following amendments to the 2019/2020 Plant Replacement Program – Heavy Plant:

Plant Item	Budget	Trade	Net
Skid Steer Loader (L13)	(\$95,000)	15,000	(\$80,000)
Isuzu FVR 1000 (T2)	(150,000)	25,000	(125,000)
Isuzu NPR 300 (T30)	(75,200)	16,500	(58,700)

be endorsed.

2. The Isuzu MPR 250/300 Crew Cab (T5) be retained by the Council and removed from the 2019/2020 Plant Replacement Program - Heavy Plant to be reviewed in 2020/21.
3. Depreciation to be included in the values on the report.

CARRIED

6 NEXT MEETING

Tuesday 24 March 2020 at a time to be confirmed.

7 MEETING CLOSURE

At 9.55am Cr Oldfield declared the meeting closed.

Presiding Member

Date