



SHIRE OF MENZIES

Supplementary Agenda

**FOR THE ORDINARY MEETING OF COUNCIL
TO BE HELD ON**

31 MARCH 2022

Commencing at 10.30 am

**At the Council Chambers
124 Shenton Street, Menzies**

DISCLAIMER

No responsibility whatsoever is implied or accepted by the Shire of Menzies for any act or omission or statement or intimation occurring during this meeting.

It is strongly advised that persons do not act on what is heard at this meeting and should only rely on written confirmation of Council's decision, which will be provided within fourteen (14) days of this meeting.

FINANCIAL INTEREST

A financial interest occurs where a Councillor, or person with whom the Councillor is closely associated, has direct or indirect financial interest in the matter. That is, the person stands to make a financial gain or loss from the decision, either now or at some time in the future.

An indirect financial interest includes a reference to a financial relationship between that person and another person who requires a Local Government decision in relation to the matter.

Councillors should declare an interest:

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

A member who has declared an interest must not:

- Preside at the part of the meeting relating to the matter; or
- Participate in or be present during the discussion of decision-making procedure relating to the matter unless the member is allowed to do so under Section 5.68 or 5.69 of the *Local Government Act 1995*.

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16 NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF THE MEETING

OFFICER RECOMMENDATION:

That Council agrees to introduce item 16.1 Vehicle replacement 3MN - Toyota LC70 GXL as new business of an urgent nature.

COUNCIL DECISION:

Council Resolution Number	
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Moved		Seconded	
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Carried	
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16.1	Vehicle replacement 3MN - Toyota LC70 GXL
LOCATION	Shire of Menzies
APPLICANT	Internal
DOCUMENT REF	NAM627
DATE OF REPORT	25 March 2022
AUTHOR	Chief Executive Officer, Brian Joiner
RESPONSIBLE OFFICER	Chief Executive Officer, Brian Joiner
OFFICER DISCLOSURE OF INTEREST	Nil
ATTACHMENT	1. CONFIDENTIAL REDACTED - Shire of Menzies - Hilux SR DCC 24-03-22 [16.1.1 - 2 pages]

SUMMARY:

To seek Council approval for the replacement of Toyota LC70 GXL prior to the fleet replacement date stipulated in Council policy.

BACKGROUND:

Toyota LC70 GXL, registration 3MN, was originally due for replacement in the 2022/23 FY and has a current odometer of 82,000km.

An issue arose with the vehicle in early 2021 that was ongoing through the rest of the year. The vehicle now requires a replacement engine that is not covered by warranty. The cost to replace the engine is \$25,000.

COMMENT:

If the engine is replaced the value of the vehicle is estimated at \$70,000. Goldfields Toyota has offered a trade-in of \$45,000 on an as-is basis which is assessed as being fair value.

Three quotes were requested for a Toyota Hilux 4x4 2.8L DSL, in accordance with fleet replacement policy, with the same accessories and twelve (12) months registration. The quotes obtained are:

Company	Price (ex GST)	Delivery
Goldfields Toyota	\$52,576.11	In Stock
B	\$50,977.22	10-12 months
C	No quote received	
D	No quote received	

Although Goldfields Toyota was slightly more expensive, they were assessed as being the most suitable as they have a vehicle in stock at this time and there is an urgency for supply. If other suppliers were used the trade-in vehicle would need to be relocated and, without an engine, it is currently not driveable.

The trade-in offer from Goldfields Toyota can be accepted without obtaining further quotes if the purchase is made from Goldfields Toyota. This is under the *Local Government (Functions and General) Regulations 1996 r. 30* which provides an exclusion from s. 3.58 of the *Local Government Act 1995* as the trade-in received is used to purchase the new vehicle and the new vehicle is not worth more than \$75,000.

CONSULTATION:

Garth Marland, Works Manager.

STATUTORY AUTHORITY:

Local Government Act 1995.

Local Government (Functions and General) Regulations 1996.

30. Dispositions of property excluded from Act s. 3.58

(1) A disposition that is described in this regulation as an exempt disposition is excluded from the application of section 3.58 of the Act.

(3) A disposition of property other than land is an exempt disposition if —

(a) its market value is less than \$20 000; or

(b) the entire consideration received by the local government for the disposition is used to purchase other property, and where the total consideration for the other property is not more, or worth more, than \$75 000.

POLICY IMPLICATIONS:

Policy 4.2 - Purchasing and Tenders.

Policy 12.1 - Plant Replacement Program.

FINANCIAL IMPLICATIONS:

The purchase price for the vehicle is \$52,576.11 ex GST which includes accessories and registration.

The trade in price for Toyota LC70 GXL, registration 3MN, is \$40,909 ex GST.

The net cost to the Shire is \$11,667.11 which will reduce the forecast operating surplus.

RISK ASSESSMENT:

Risk Statement	Level of Risk	Risk Mitigation Strategy
N/A		

STRATEGIC IMPLICATIONS:

4.1 A strategically focused Council, leading our community.

4.1.1 Provide strategic leadership and governance.

4.2 An efficient and effective organisation.

4.2.1 Maintain a high level of corporate governance, responsibility and accountability.

VOTING REQUIREMENTS:

Absolute Majority

OFFICER RECOMMENDATION:

That Council:

1. Approves the replacement of Toyota LC70 GXL, registration 3MN, with a Toyota Hilux from Goldfields Toyota in accordance with Quote 23478; and
2. Authorises a budget allocation of \$11,668, for the capital acquisition, from operating surplus.

COUNCIL DECISION:

Council Resolution Number	
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Moved		Seconded	
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Carried by Absolute Majority	
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