



MINUTES

ORDINARY COUNCIL MEETING

Friday March 30th 2012.
Commencing At 10.00am

SHIRE OF MENZIES



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SHIRE OF MENZIES

ORDINARY COUNCIL MEETING
commencing at 10.00 am

MINUTES

1 DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS

The Shire President (Cr. Gregory Dwyer) declared the meeting open, welcoming the attendees and visitors and proceeded with the agenda as planned.

2 RECORD OF ATTENDANCE / APOLOGIES / LEAVE OF ABSENCE PREVIOUSLY APPROVED

Attendance:

Councillors

In person:

Cr G. Dwyer
Cr. P.J. Twigg
Cr. C. Bennell
Cr J.A Dwyer
Cr. E. Hansen
Cr I.R Tucker

President
Deputy President
Councillor
Councillor
Councillor
Councillor

Staff:

Mr K. Hastie
Ms C. McAllan
Mr. Brian Howson

Mr. Bret Howson

Acting Chief Executive Officer
Deputy Chief Executive Officer
Manager of Works and Services
From 10.00am to 10.25am
Consultant
from 10.00am to 10.25am and
from 11.53am to 12.40am and
from 2.40pm to 2.50pm.

Visitors:

Mr. John Milikan

Mr. Tim Prentice

Mr. Peter Crawford

Anglogold Ashanti
From 12.02pm to 12.40pm
Anglogold Ashanti
From 12.02pm to 12.40pm
Manager Technical Services
Shire of Laverton from 1.34pm to
2.39pm

Apologies:

Mr. C.K. Purchase

Councillor

The Shire President welcomed Brian Howson to the staff of the Shire of Menzies. Bret Howson and Brian Howson presented an overview of the works program into The future. Bret Howson and Brian Howson left the Chamber at 10.25am.

3 RESPONSES TO PREVIOUS PUBLIC QUESTION TIME TAKEN ON NOTICE

Nil

4 PUBLIC QUESTION TIME

Nil

5 DECLARATIONS OF INTEREST / APPLICATIONS FOR LEAVE OF ABSENCE.

Mr. Kim Hastie – Acting Chief Executive Officer declared an interest in item 9.5
Mrs. C. McAllan – Deputy Chief Executive Officer declared an interest in item 9.5
Mr. P.J. Twigg – Councillor declared an interest in item 9.6

6 PETITIONS / DEPUTATIONS / PRESENTATIONS

Mr. Bret Howson – Consultant

7 CONFIRMATION OF PREVIOUS MINUTES

- 7.1 Confirmation of the Previous Minutes of Council held on Tuesday February 28th be adopted.

MOVED Cr C. Bennell

SECONDED Cr I.R. Tucker

Carried 6/0

That the minutes of the Ordinary Meeting of Council of 28th February 2012 be adopted on the proviso that part of the answer to Mr. Lee, Ms. Cameron and Ms. Tucker be changed to read that *"They were advised that the Council was committed to the Water Park project. It is partially funded through a Department of Sport and Recreation grant. Further funding would be applied for through the Country Local Government Fund and if this was not successful the Shire would budget for it over a number of years. A consultant would be engaged to prepare a business plan and the project commenced as soon as possible."*

QUESTIONS ON NOTICE.

- 8.1 Questions on Notice

Nil

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- 9.1 Finance Committee Recommendations.
- 9.2 Budget Review
- 9.3 Road Infrastructure – Jupiter Mines Limited.
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- 9.5 Interest on Housing Bonds
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- 9.7 Menzies Hotel – Application for Planning Approval
- 9.8 Tender 4/11 – Supply of Road Sealing Services
- 9.9 Compliance Audit Return
- 9.10 Menzies Hotel – Sewerage Disposal
- 9.11 Asset Management Project
- 9.12 Local Government Services to Indigenous Communities
- 9.13 Goldfields Cyclclassic
- 9.14 New Investments
- 9.15 Former Catholic Church Building
- 9.16 Regional Records Management Facility

**9.1 AUDIT/FINANCE COMMITTEE MEETING OF 20TH MARCH RECOMMENDATIONS
TO ORDINARY COUNCIL MEETING OF 30TH MARCH 2012**

**5.1 AUDIT/FINANCE COMMITTEE MEETING OF 20TH MARCH RECOMMENDATIONS
TO ORDINARY COUNCIL MEETING OF 30TH MARCH 2012**

MOVED Cr J.A. Dwyer

SECONDED Cr C.K. Purchase

That the Council approve the recommendations of the Audit / Finance Committee to adopt the Financial Statements and Reports to 29th February 2012 as presented.

Carried 4/0

**5.2 AUDIT/FINANCE COMMITTEE MEETING OF 20TH MARCH RECOMMENDATIONS
TO ORDINARY COUNCIL MEETING OF 30TH MARCH 2012**

MOVED Cr C.K. Purchase

SECONDED Cr I.R. Tucker

That the Council approve the recommendations of the Audit / Finance Committee to adopt the Accounts for payment for cheque numbers 001886 to 001896, and direct transactions totalling \$355,042.21 as presented.

Carried 4/0

**5.3 AUDIT/FINANCE COMMITTEE MEETING OF 20TH MARCH RECOMMENDATIONS
TO ORDINARY COUNCIL MEETING OF 30TH MARCH 2012**

MOVED Cr I.R. Tucker

SECONDED Cr J.A. Dwyer

That the Council approve the recommendations of the Audit / Finance Committee to Write off the Interest accrued as per the list below:

Property 2428	\$33.21	Property 4375	\$23.08
Property 3599	\$169.13	Property 3461	\$33.21
Property 3796	\$33.21	Property 3797	\$33.21
Property 3798	\$33.21	Property 3795	\$33.21
Property 4376	\$42.89		

Carried 4/0

**5.4 AUDIT/FINANCE COMMITTEE MEETING OF 20TH MARCH RECOMMENDATIONS
TO ORDINARY COUNCIL MEETING OF 30TH MARCH 2012**

MOVED Cr J.A. Dwyer

SECONDED Cr I.R. Tucker

That the Council approve the recommendations of the Audit / Finance Committee to Underwrite costs for "Introduction to being on a Board/Committee" training to be held in Kalgoorlie or Menzies to a cost of approximately \$4,000.00 including airfares and associated costs.

Carried 4/0

**5.5 AUDIT/FINANCE COMMITTEE MEETING OF 20TH MARCH RECOMMENDATIONS
TO ORDINARY COUNCIL MEETING OF 30TH MARCH 2012**

MOVED Cr C.K. Purchase

SECONDED Cr J.A. Dwyer

That the Council approve the recommendations of the Audit / Finance Committee to participate in the Local Government Insurance Services program with the Shires of Leonora and Laverton for the year 2012 at a cost of \$4,250.00 (incl GST)

Carried 4/0

**5.6 AUDIT/FINANCE COMMITTEE MEETING OF 20TH MARCH RECOMMENDATIONS
TO ORDINARY COUNCIL MEETING OF 30TH MARCH 2012**

MOVED Cr C.K. Purchase

SECONDED Cr I.R. Tucker

That the Council approve the recommendations of the Audit / Finance Committee to approve the purchase of (30) standard 240litre garbage bins for the Tjuntjuntjara Community including the freight from Perth to Kalgoorlie to be funded from cost centre A1390 3360.

Carried 4/0

**5.7 AUDIT/FINANCE COMMITTEE MEETING OF 20TH MARCH RECOMMENDATIONS
TO ORDINARY COUNCIL MEETING OF 30TH MARCH 2012**

MOVED Cr J.A. Dwyer

SECONDED Cr C.K. Purchase

That the Council approve the recommendations of the Audit / Finance Committee to:

1. Approve to increase to \$155.00 the price of a 45kg exchange bottle of gas as per Kleenheat Gas recommended price after statutory advertising with the price to increase on Thursday 19th April 2012.
2. Amend Council's fees and charges schedule to read that gas bottles are sold at the Kleenheat Gas recommended price for Menzies.

Carried 4/0

OFFICER RECOMMENDATION – COUNCIL DECISION No: 120

MOVED: Cr. P.J. Twigg

SECONDED: Cr. J.A. Dwyer

That Council adopt the recommendations from the Audit/Finance Committee numbered 5.1 to 5.7 as listed above.

Carried 6/0

SUBMISSION TO:	Ordinary Council Meeting 30 th March 2012
LOCATION:	Shire of Menzies
APPLICANT:	N/A
FILE REF:	B/3/4
DISCLOSURE OF INTEREST:	Nil
DATE:	23 rd March 2012
AUTHOR:	Kim Hastie
SIGNATURE OF AUTHOR:	
SENIOR OFFICER:	Kim Hastie
SIGNATURE OF SENIOR OFFICER:	

SUMMARY:

That Council note the content of the report in regard to the midyear Budget Review that is required by statute.

BACKGROUND:

Council has adopted a budget for the 2011/12 financial year. As per Financial Management Regulation 33A, shown below, a review of the budget is required prior to 31st March 2012.

COMMENT:

This review is based on the figures as at 29th February 2012. The Attachments to this report show the Operating and Capital expenditure pages from the budget and it is these figures upon which the following comments are made.

Firstly Council is aware that the organisation is going through a period of significant reformation and restructure. The permanent CEO resigned at the end of July 2011 and since then relieving CEO's have been guiding the organisation until a permanent CEO can be obtained – action which is currently progressing.

The financial transaction and reporting functions have been outsourced to an accounting firm and this initiative is now showing good progress in that Council is receiving timely financial information and this is beginning to reflect in the organisations ability to deal with the future challenges.

In the interim period the Shire has engaged the services of an Engineering Consultant to re-establish road works programs and funding sources and this process is progressing very satisfactorily.

As an adjunct to the above the Shire has recently obtained the services of a very experienced works Manager for a twelve month period and again there should be some good outcomes in terms of road projects being carried out.

Additionally Council is aware that an organisational review will be carried out, by an external consultant, commencing the week of 26th March 2012.

Given all the circumstances of the past (at least) nine months a forensic analyses of the Shire's finances is not required because basically very little has been spent because there have been no resources or plans available to carry out the works program with the exception of routine maintenance works.

Also the Shire's capital works program for 2011/12 is overly ambitious for an organisation this size. A capital works program of \$6.3m would be difficult to achieve even if the organisation was fully functional with a full complement of experienced staff. This may well be addressed in the formation of the 2012/13 budget.

Notwithstanding the above comments it is noted in the Operating Revenues that the Economic Services revenues are \$360,632 c/f a budget figure of \$1,408,847. Included in the Revenue is the sum of \$1m for "Tjuntjuntjara Services" These "Services" are undefined however it is noted that in the Capital Expenditure Accounts there is also exactly \$1m for "Construction – Infrastructure Other" for Tjuntjuntjara.

Recent informal discussions with elected members has not resulted in any satisfactory conclusion as to what was the source of this revenue or what was the intent of the expenditure. It appears that it may have been a circumstance of "if we get a grant for \$1m we will spend it at Tjuntjuntjara."

As this \$1m appears to be a "contra" arrangement the loss of revenue and consequent non-expenditure has a neutral impact on the budget.

Other notable variances include:-

Housing Revenue - YTD \$31,272 c/f Budget of \$223,901. Included in the revenue budget is a grant of \$197,250 (CLGF) which at this stage has not been received. The purpose of this was to purchase an ex GROH house which has not proceeded at this time. Hence a neutral budget impact.

Recreation and Culture Revenue - YTD \$12,442 c/f Budget of \$262,711 This item includes a grant from the Department of Sport and Recreation toward the Water Playground project. At this stage the grant has not been received and similarly the expenditure has not been incurred.

Other Property and Services – YTD \$8,843 c/f Budget of \$116,491. Included in the budget figure is, what is understood to be, approximately \$60,000 of fuel tax credits. As identified in the Management Letter from Haines Norton accompanying the February Financial Report the fuel tax credit system has not functioned since November 2011. This is a matter for the administration to rectify.

On the "Expenses" side of the Operating Budget the following are the notably negative variances and comments.

"Governance" – YTD \$149,742 c/f Budget of \$107,606. One matter that may be impacting on this was the payment made to the former CEO when he resigned in July 2011.

"Transport" – YTD \$1,389,337 c/f Budget \$2,613,753. In the management letter provided by Haines Norton with the February monthly financials there was reference (among other things) to under allocation of \$80,512 Plant Operation Costs and \$102,571 Public Works Overheads. Most of these allocations, when rectified, will go to the Transport cost centre.

Other Property and Services – YTD \$187,507 c/f Budget of \$34,558. The main impact here is the fees paid to the external accounting service.

Money in the bank is in a sound position. As at 29th February 2012 the balances were:-
Municipal Account - \$1,986,068.36; and
Investment Account - \$2,541,021.62 (at 5.7%)

An unknown in terms of money in the bank is what portion of it is unspent and tied grant funds. This is another aspect of the financial system that will require rectification by the administration so that unspent grant funds are immediately identifiable and don't become confused with Municipal funds.

Overall the budget is not under any particular stress albeit because of lack of activity in spending money. As the organisation is re-developed in terms of road programs, funding sources, further development of financial recording and reporting, following up outstanding debtors, rectify the rating system and the like the information supplied to Council will be at a more informative level.

CONSULTATION:
Deputy CEO, Haines Norton

STATUTORY ENVIRONMENT:

33A. Review of budget

(1) Between 1 January and 31 March in each financial year a local government is to carry out a review of its annual budget for that year.

(2A) The review of an annual budget for a financial year must —

(a) consider the local government's financial performance in the period beginning on 1 July and ending no earlier than 31 December in that financial year; and

(b) consider the local government's financial position as at the date of the review; and

(c) review the outcomes for the end of that financial year that are forecast in the budget.

(2) Within 30 days after a review of the annual budget of a local government is carried out it is to be submitted to the council.

(3) A council is to consider a review submitted to it and is to determine whether or not to adopt the review, any parts of the review or any recommendations made in the review.*

**Absolute majority required.*

(4) Within 30 days after a council has made a determination, a copy of the review and determination is to be provided to the Department.

[Regulation 33A inserted in Gazette 31 Mar 2005 p. 1048-9; amended in Gazette 20 Jun 2008 p. 2723-4.]

POLICY IMPLICATIONS:

Nil

FINANCIAL IMPLICATIONS:

This report deals with a review of the state of the current budget.

VOTING REQUIREMENTS:

Absolute Majority required

OFFICER RECOMMENDATION – COUNCIL RESOLUTION NO: 121
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MOVED Cr I.R. Tucker

SECONDED Cr C. Bennell

That Council by absolute majority adopt the budget review as presented.

Carried 6/0

STATEMENT OF FINANCIAL ACTIVITY

FOR THE PERIOD 1 JULY 2011 TO 29 FEBRUARY 2012

	NOT E	29-Feb 2012	29-Feb 2012 Y-T-D	2011/12 Adopted	Variance s Budget to Actual
<u>Operating</u>		Actual \$	Budget \$	Budget \$	Y-T-D %
Revenues	1,2				
Governance		14,300	1,559	2,673	817.25%
General Purpose Funding		1,416,098	1,186,551	1,905,516	19.35%
Law, Order, Public Safety		6,061	14,616	25,056	(58.53%)
Health		616	1,079	1,849	(42.91%)
					(100.00%)
Education and Welfare		0	18,474	31,670)
Housing		31,272	130,609	223,901	(76.06%)
Community Amenities		11,064	4,535	7,774	143.97%
Recreation and Culture		12,442	141,579	262,711	(91.21%)
Transport		609,062	504,721	865,236	20.67%
Economic Services		360,632	841,827	1,408,847	(57.16%)
Other Property and Services		8,843	67,953	116,491	(86.99%)
		2,470,390	2,913,503	4,851,724	(15.21%)
(Expenses)	1,2				
Governance		(149,742)	(189,581)	(107,606)	21.01%
General Purpose Funding		(77,493)	(62,771)	(324,996)	(23.45%)
Law, Order, Public Safety		(57,808)	(48,458)	(83,071)	(19.30%)
Health		(15,472)	(10,853)	(18,606)	(42.56%)
Education and Welfare		0	(27,084)	(46,430)	100.00%
Housing		(12,165)	(8,766)	(15,027)	(38.77%)
Community Amenities		(86,371)	(111,329)	(190,848)	22.42%
Recreation & Culture		(120,456)	(150,317)	(257,686)	19.87%
		(1,389,337)		(2,613,753)	
Transport)	(1,524,690))	8.88%
				(1,324,366)	
Economic Services		(784,286)	(780,880))	(0.44%)
					(847.24%)
Other Property and Services		(187,507)	(19,795)	(34,558))
		(2,880,637)		(5,016,947)	
)	(2,934,524))	(1.84%)
<u>Adjustments for Non-Cash</u>					
<u>(Revenue) and Expenditure</u>					
(Profit)/Loss on Asset Disposals	4	0	(86,533)	(129,800)	(100.00%)
Depreciation on Assets		1,100,318	1,034,335	1,498,343	6.38%
<u>Capital Revenue and (Expenditure)</u>					
Purchase Land and Buildings	3	(33,241)	(540,000)	(1,185,108)	(93.84%)
)	
Purchase Infrastructure Assets - Roads	3	(7,859)	(1,094,133)	(1,641,200)	(99.28%)
)	
Purchase Infrastructure Assets - Other	3	(632,207)	(523,982)	(2,828,894)	20.65%
)	(100.00%)
Purchase Plant and Equipment	3	0	(93,200)	(688,810))
Purchase Furniture and Equipment	3	(3,600)	(107,200)	(107,200)	(96.64%)
Proceeds from Disposal of Assets	4	0	0	178,100	0.00%
Repayment of Debentures	5	(14,071)	(14,071)	(28,563)	0.00%
Transfers to Reserves (Restricted Assets)	6	(63,212)	(79,774)	(119,661)	20.76%
Transfers from Reserves (Restricted Assets)	6	0	0	1,131,154	0.00%

Net Current Assets July 1 B/Fwd	7	2,306,535	2,267,114	2,267,114	(1.74%)
Net Current Assets Year to Date	7	4,276,307	2,561,283	0	(66.96%)
Amount Raised from Rates	8	<u>(2,033,891)</u>	<u>(1,819,748)</u>	<u>(1,819,748)</u>	

This statement is to be read in conjunction with the accompanying notes.

SHIRE OF MENZIES
Capital Expenditure Accounts
By Job Type
As at 29th February 2012

	Annual Budget \$	YTD Budget (a) \$	YTD Actual (b) \$	Var. \$ (b)-(a)	Var. % (b)-(a)/(b)
Land Held For Resale					
Total Land Held For Resale	0	0	0	0	
Land					
Total Land	0	0	0	0	
Buildings					
B0001 - Old Butcher Shop					
3151 Building Maintenance-Internal	0	0	100	100	100.0%
3299 Contractors	0	0	8,999	8,999	100.0%
7710 Construction-Buildings	38,000	0	0	0	
Total Old Butcher Shop	38,000	0	9,099	9,099	100.0%
B0012 - Old Post Office					
7710 Construction-Buildings	201,858	0	0	0	
Total Old Post Office	201,858	0	0	0	
B0015 - Lady Shenton					
3240 Maintenance	0	0	16,835	16,835	100.0%
3299 Contractors	0	0	7,308	7,308	100.0%
7710 Construction-Buildings	200,000	0	0	0	
Total Lady Shenton	200,000	0	24,142	24,142	100.0%
B0016 - Administration Building					
7710 Construction-Buildings	150,000	0	0	0	
Total Administration Building	150,000	0	0	0	
B0017 - Depot					
7710 Construction-Buildings	45,000	0	0	0	
Total Depot	45,000	0	0	0	
B0021 - Caravan Park Upgrade 44-44 Shenton St					
7760 Construction-Infrastructure Other	0	0	14,628	14,628	100.0%
Total Caravan Park Upgrade 44-44 Shenton St	0	0	14,628	14,628	100.0%
B0025 - Railway Station					
7710 Construction-Buildings	25,000	0	0	0	
Total Railway Station	25,000	0	0	0	
H0008 - Lot 10 Shenton					
7710 Construction-Buildings	37,600	0	0	0	
Total Lot 10 Shenton	37,600	0	0	0	
H0016 - GROH Residences Onslow Street					
7710 Construction-Buildings	197,250	0	0	0	
Total GROH Residences Onslow Street	197,250	0	0	0	
H0017 - Tjuntjunjarra Housing					
7710 Construction-Buildings	100,000	0	0	0	
Total Tjuntjunjarra Housing	100,000	0	0	0	
Total Buildings	994,708	0	47,869	47,869	100.0%
Plant & Light Vehicles					
P0166 - NEW Ride on Mower 2011					
7715 Purchase-Plant & Equipment	13,200	0	0	0	
Total NEW Ride on Mower 2011	13,200	0	0	0	
P0167 - NEW Truck 6 Wheeler 2011					
7715 Purchase-Plant & Equipment	251,350	0	0	0	
Total NEW Truck 6 Wheeler 2011	251,350	0	0	0	
P0168 - NEW Loader 2011					
7715 Purchase-Plant & Equipment	267,000	0	0	0	
Total NEW Loader 2011	267,000	0	0	0	
P0169 - NEW Small Truck 2011					
7715 Purchase-Plant & Equipment	70,000	0	0	0	
Total NEW Small Truck 2011	70,000	0	0	0	
P0170 - NEW utility					
7715 Purchase-Plant & Equipment	30,000	30,000	0	(30,000)	(100.0%)
Total NEW utility	30,000	30,000	0	(30,000)	(100.0%)

SHIRE OF MENZIES
Capital Expenditure Accounts
By Job Type
As at 29th February 2012

	Annual Budget \$	YTD Budget (a) \$	YTD Actual (b) \$	Var. \$ (b)-(a) \$	Var. % (b)-(a)/(b) %
P0171 - NEW Side Tipping Trailer 2011					
7715 Purchase-Plant & Equipment	7,260	0	0	0	
Total NEW Side Tipping Trailer 2011	7,260	0	0	0	
P0172 - NEW CEO Vehicle 2011					
7715 Purchase-Plant & Equipment	50,000	50,000	0	(50,000)	(100.0%)
Total NEW CEO Vehicle 2011	50,000	50,000	0	(50,000)	(100.0%)
Total Plant & Light Vehicles	688,810	80,000	0	(80,000)	(100.0%)
Furniture & Office Equipment					
U0007 - Notebook computers					
7720 Purchase-Furniture & Office Equipment	3,000	3,000	3,428	428	12.5%
Total Notebook computers	3,000	3,000	3,428	428	12.5%
U0008 - Chairs Council Chambers					
7720 Purchase-Furniture & Office Equipment	10,000	10,000	0	(10,000)	(100.0%)
Total Chairs Council Chambers	10,000	10,000	0	(10,000)	(100.0%)
U0010 - Resource Centre Furn & Equip					
7720 Purchase-Furniture & Office Equipment	69,200	69,200	0	(69,200)	(100.0%)
Total Resource Centre Furn & Equip	69,200	69,200	0	(69,200)	(100.0%)
U0011 - Admin Server					
7720 Purchase-Furniture & Office Equipment	25,000	25,000	0	(25,000)	(100.0%)
Total Admin Server	25,000	25,000	0	(25,000)	(100.0%)
Total Furniture & Office Equipment	107,200	107,200	3,428	(103,772)	####
Infrastructure - Roads					
R0008 - Menzies Northwest Road					
7730 Construction-Roads	82,290	0	0	0	
Total Menzies Northwest Road	82,290	0	0	0	
R0009 - Evanston Menzies Road					
7730 Construction-Roads	85,429	0	0	0	
Total Evanston Menzies Road	85,429	0	0	0	
R0024 - Kookynie Road					
7730 Construction-Roads	50,000	0	0	0	
Total Kookynie Road	50,000	0	0	0	
R0034 - Reid Street					
7730 Construction-Roads	10,000	0	0	0	
Total Reid Street	10,000	0	0	0	
R0044 - Gregory Street					
7730 Construction-Roads	150,000	0	0	0	
Total Gregory Street	150,000	0	0	0	
R0049 - Florence Street					
7730 Construction-Roads	250,000	0	0	0	
Total Florence Street	250,000	0	0	0	
R0051 - Connie Sue Highway					
7730 Construction-Roads	343,500	0	0	0	
Total Connie Sue Highway	343,500	0	0	0	
R0056 - Mercer Street					
7730 Construction-Roads	100,000	0	0	0	
Total Mercer Street	100,000	0	0	0	
R0062 - Niagara Dam Road					
7730 Construction-Roads	0	0	7,859	7,859	100.0%
Total Niagara Dam Road	0	0	7,859	7,859	100.0%
R0066 - Tjuntjuntjara Indigenous Access Road					
7730 Construction-Roads	231,000	0	0	0	
7760 Construction-Infrastructure Other	117,981	0	0	0	
Total Tjuntjuntjara Indigenous Access Road	348,981	0	0	0	
R9999 - Sundry Roads					
7730 Construction-Roads	221,000	0	0	0	
Total Sundry Roads	221,000	0	0	0	

SHIRE OF MENZIES
Capital Expenditure Accounts
By Job Type
As at 29th February 2012

	Annual Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)	Var. % (b)-(a)/(b)
	\$	\$	\$	\$	%
Total Infrastructure - Roads	1,641,200	0	7,859	7,859	100.0%
Infrastructure - Bridges					
Total Infrastructure - Bridges	0	0	0	0	
Infrastructure - Parks, Gardens & Reserves					
Total Infrastructure - Parks, Gardens & Res	0	0	0	0	
Footpaths & Cycleways					
Total Footpaths & Cycleways	0	0	0	0	
Infrastructure - Airports					
Total Infrastructure - Airports	0	0	0	0	
Infrastructure - Drainage					
Total Infrastructure - Drainage	0	0	0	0	
Infrastructure - Other					
A0910 - Staff Housing					
7710 Construction-Buildings	40,000	0	0	0	
Total Staff Housing	40,000	0	0	0	
A1324 - Caravan Parks					
7760 Construction-Infrastructure Other	0	0	3,314	3,314	100.0%
Total Caravan Parks	0	0	3,314	3,314	100.0%
A1390 - Tjuntjunjarra					
7760 Construction-Infrastructure Other	1,000,000	0	0	0	
Total Tjuntjunjarra	1,000,000	0	0	0	
A1428 - Administration Services					
3307 Computing Costs Other	0	0	172	172	100.0%
Total Administration Services	0	0	172	172	100.0%
I0019 - Menzies Walk Trail					
3300 Consultants	0	0	45,045	45,045	100.0%
Total Menzies Walk Trail	0	0	45,045	45,045	100.0%
I0021 - Anzac War Memorial Park and Church					
7760 Construction-Infrastructure Other	25,000	0	0	0	
Total Anzac War Memorial Park and Church	25,000	0	0	0	
I0023 - Water Playground					
7760 Construction-Infrastructure Other	400,000	400,000	0	(400,000)	(100.0%)
Total Water Playground	400,000	400,000	0	(400,000)	(100.0%)
I0032 - Main Street Development					
7760 Construction-Infrastructure Other	1,163,894	387,964	569,220	181,256	31.8%
Total Main Street Development	1,163,894	387,964	569,220	181,256	31.8%
I0033 - Basketball Lighting Tjuntjuntjara					
7760 Construction-Infrastructure Other	20,000	20,000	0	(20,000)	(100.0%)
Total Basketball Lighting Tjuntjuntjara	20,000	20,000	0	(20,000)	(100.0%)
I0034 - Oval Development Menzies					
7760 Construction-Infrastructure Other	50,000	0	0	0	
Total Oval Development Menzies	50,000	0	0	0	
I0035 - Caravan Park Redevelopment					
7760 Construction-Infrastructure Other	50,000	50,000	0	(50,000)	(100.0%)
Total Caravan Park Redevelopment	50,000	50,000	0	(50,000)	(100.0%)
I0036 - Town Park Redevelopment Menzies					
7760 Construction-Infrastructure Other	50,000	0	0	0	
Total Town Park Redevelopment Menzies	50,000	0	0	0	
T0001 - Lake Ballard					
7760 Construction-Infrastructure Other	70,000	70,000	0	(70,000)	(100.0%)
Total Lake Ballard	70,000	70,000	0	(70,000)	(100.0%)
Total Infrastructure - Other	2,868,894	927,964	617,751	(310,213)	(50.2%)
Infrastructure - Sewerage					

SHIRE OF MENZIES
Capital Expenditure Accounts
By Job Type
As at 29th February 2012

	Annual Budget	YTD Budget (a)	YTD Actual (b)	Var. \$ (b)-(a)	Var. % (b)-(a)/(b)
	\$	\$	\$	\$	%
Total Infrastructure - Sewerage	0	0	0	0	
TOTAL CAPITAL EXPENDITURE	6,300,812	1,115,164	676,906	(438,258)	(64.7%)

9.3 ROAD INFRASTRUCTURE – JUPITER MINES LIMITED

SUBMISSION TO:	Ordinary Council Meeting 30 th March 2012
LOCATION:	Shire of Menzies
APPLICANT:	N/A
FILE REF:	M/4/21
DISCLOSURE OF INTEREST:	Nil
DATE:	16 th March 2012
AUTHOR:	L.P. Strugnell – Acting Chief Executive Officer
SIGNATURE OF AUTHOR:	
SENIOR OFFICER:	K.R. Hastie – Acting Chief Executive Officer
SIGNATURE OF SENIOR OFFICER:	

SUMMARY:

Austwide Mining Title Management Pty Ltd on behalf of Jupiter Mines Limited has lodged Miscellaneous Licences 29/110 – 113 with the Mines Department. Copies are forwarded to the Council as required by the Mining Act 1978. The Miscellaneous Licences cover what appears to be haul or access roads from Yundaga railway site through the Common and Townsite area and from the Sandstone – Menzies Road to Jupiter Mines Limited minesite.

BACKGROUND:

There are four Miscellaneous Licences involved:

ML 29/110 This licence covers an access from south of Shenton Street to Onslow Street – crossing Crusoe Road at 180degrees or entering Crusoe Road at 90degrees.

Refer to Attachment No: 1

ML 29/111 This is a proposed road access from the south of Shenton Street through a portion of the Townsite to meet up with the Sandstone – Menzies Road. This access divides the portion of the townsite south of the Menzies Battery : Reserve 24145.

Council has been considering developing this site for the purpose of an industrial subdivision to provide an area to service the mining industry. Refer to Attachment No: 2.

ML 29/112 This proposed access commences at Yundaga and terminates south of the proposed industrial site. This access would be more acceptable to Council if it continued west of the proposed industrial site and the Battery and joined up with the access on ML 29/111 at the bend north of the Evanston Road. Refer to Attachment No: 2

ML 29/113 This appears to be the access road from the Sandstone – Menzies road to the actual mine site. The author of this item has no information how this route may impact on the pastoral lease or if the lease holder has been negotiating with the Mining Company. Council should ensure that where the road joins the Sandstone – Menzies Road that a properly engineered Tee junction is installed with the right-of-way being for the Sandstone – Menzies Road.

COMMENT:

The author believes that Council's should negotiate at a very early stage with mining companies on the development of mines and the required infrastructure to ensure that development is not held up or that at a late date Council objects to aspects of the development or imposes conditions that would best having been discussed at an earlier stage of the planning. Objections are to be lodged at the Mining Registrars Office on or before the 10th day of April 2012. The notification to the Council is dated the 7th March 2012 however it was not received until the 14th March 2012. This item will be presented to the Ordinary Council Meeting to be held on the 30th March 2012 leaving Council little time to lodge objections.

It should be noted that the section of the townsite situated south of the Battery is zoned Industrial and under consideration for redevelopment as an industrial site to service mining, heavy industrial and fuel depots. The following comments need to be considered for objections to the various licences.

Licence 29/110 See attachment No: 1

The Department of Main Roads approval would be required to the entry point on the Goldfields Highway south of Shenton Street. ML 29/110 terminates at Crusoe Road. It is not known if the

intention is to cross this road and use Onslow Street to gain access to the Sandstone – Menzies Road. Council may not be prepared to approve heavy vehicle combinations on this street. If it is the intention to turn left at Crusoe Road the junction would need to be designed to Austroads GRD Part 4: Intersections and Crossings.

Licence 29/111 See attachment No: 2

Again there is insufficient information to properly consider this application. The proposed access road would need to be rerouted, preferably to the west of the proposed industrial site, crossing the Evanston – Menzies Road at right angles, designed with the necessary control signs and Council approval required for traffic management plans.

Licence 29/112 See attachment No: 3

This access terminates south of the proposed industrial site. There is no indication if it is proposed to continue or what it is intended to service. Discussions with Jupiter Mines limited to discuss the whole issue of the four Miscellaneous Licences should be held at an early date.

ML 29/113

Insufficient information to consider the application.

Road junction at Sandstone – Menzies Road to be designed in accordance with Austroads GRD Part 4: Intersections and Crossings.

All Council roads to have right-of-way.

CONSULTATION:

Mr. Bret Howson: Howson Management.
Mr. J.G. Epis: Chief Executive Officer
Shire of Leonora.

STATUTORY ENVIRONMENT:

Austroads GRD Part 4: Intersections and Crossings.
Austroads GRD Part 3: Geometric Design

POLICY IMPLICATION:

Not Applicable.

FINANCIAL IMPLICATION:

Nil at this stage.

VOTING REQUIREMENTS:

Simple Majority

COUNCILLORS NOTE: ADDENDUM TO REPORT SHOWN IN ATTACHMENTS.

OFFICERS RECOMMENDATION – COUNCIL RESOLUTION NO: 122

MOVED: Cr. J.A. Dwyer

SECONDED: P.J. Twigg

1. Due to the lack of information provided in the notification from Austwide Mining Title Management Pty Ltd, the Council object to the granting of the following Miscellaneous Licences on the following grounds:

Miscellaneous Licence L29/110 (Plan 1)

Plan 1.

- A. Insufficient information to determine if access road continues into Onslow Street or where vehicle turning movements are required into Crusoe Road. Either route, the road reserve does not appear to have sufficient width for acceleration and turning movements. Intersections shall be designed in accordance with Austroads Guide to Rural Road Design (GRD) Part4: Intersections and Crossings.
- B. Insufficient information to determine if 90degree bend is actually achievable for vehicle types, mix and movements. Topography of land is directly related to geometry of horizontal curves and this 90degree bend may not be achievable. Horizontal curves shall be designed in accordance with Austroads GRD Part 3: Geometric Design, unless otherwise approved by Council.
- C. Proposed road reserve does not appear to have sufficient width for acceleration and turning movements. Intersections shall be designed in accordance with Austroads GRD Part 4: Intersections and Crossings – General, unless otherwise approved by Council. Approval required from Main Roads Western Australia.

Miscellaneous Licence L29/111 (Plan 2)

Plan 2.

- A. Insufficient information to determine alignment of access road past proposed road reserve.
- B. Insufficient information to determine the proposed treatment at intersection of Evanston – Menzies road and proposed road reserve. Road reserve does not appear to have sufficient width for acceleration and turning movements. Intersections shall be designed in accordance with Austroads GRD Part 4: Intersections and Crossings – General, unless otherwise approved by Council.
- C. Insufficient information to determine the proposed treatment at intersection of Menzies Northwest Road and proposed road reserve. Road reserve does not appear to have sufficient width for acceleration and turning movements. How will proposed LIA conflict with proposed route bisecting this area. Intersections shall be in accordance with Austroads GRD Part 4: Intersections and Crossings – General, unless otherwise approved by Council. This area is LIA is already zoned Industrial
- D. Proposed road reserve does not appear to have sufficient width for acceleration and turning movements. Intersections shall be designed in accordance with Austroads GRD Part 4: Intersections and Crossings – General, unless otherwise approved by Council. Approval required from Main Roads Western Australia.

Miscellaneous Licence L 29/112 (Plan 3)

Plan 3:

- A. Insufficient information to determine alignment of access road past proposed road reserve.
- B. Insufficient information to determine if proposed road reserve satisfies statutory setback requirement from Highway. Setbacks and clearances should be approved by Main Roads Western Australia and shall be designed in accordance with Austroads GRD Part 3: Geometric Design.

Miscellaneous Licence L29/113 (Plan 4)

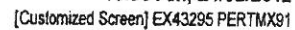
Plan 4.

A Insufficient information to determine alignment of access road junction with the Menzies – Sandstone Road. Intersections shall be designed in accordance with Austroads GRD Part 4: Intersections and Crossings – General unless otherwise approved by Council.

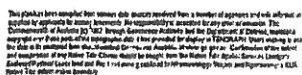
General:

- 1. Overall Jupiter Mines Limited has not provided sufficient information to the Council for satisfactory assessment. The Council cannot determine from the information supplied whether proposed routes comply with Australian Road Design standards, as presented and without assumptions.
Jupiter Mines Limited has not consulted with Council on any issue relating to the townsite or use of heavy vehicles on Council roads prior to receipt of these applications.
- 2. Council to arrange a meeting with Jupiter Mines Limited management at an early date to discuss issues of road access to the mine site, construction of roads, planning and approvals for infrastructure, health and building issues, road maintenance details and road train permits.

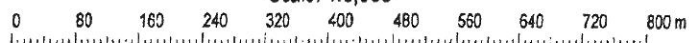
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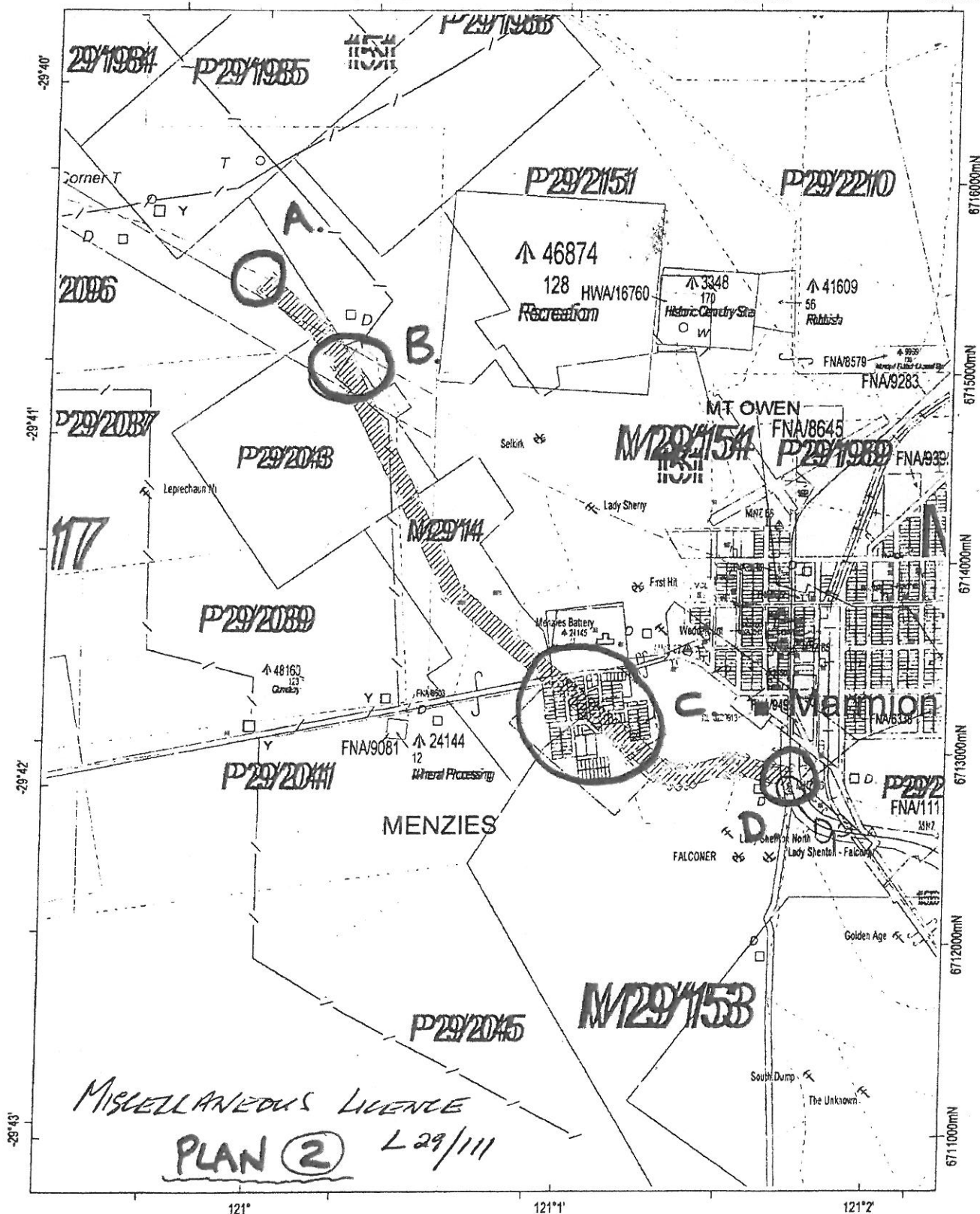
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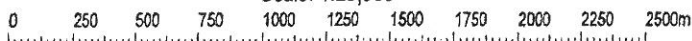
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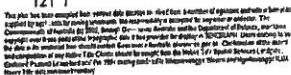
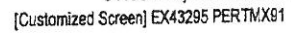


MISCELLANEOUS LICENCE
PLAN (2) L 29/111

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Department of
Mines and Petroleum

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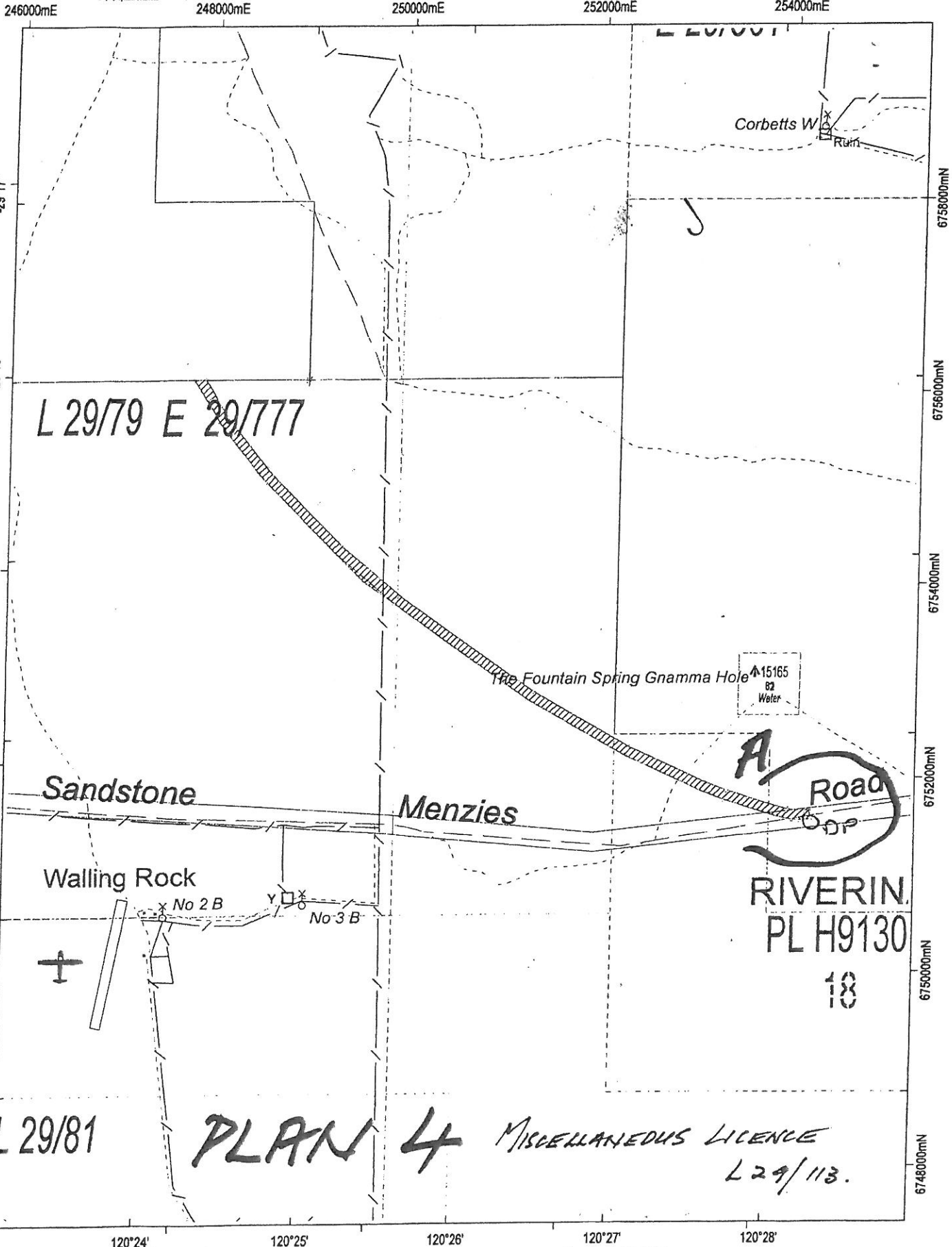


Map Grid of Australia, 1994 - Zone 51

TENGRAPH (c) 1992, 1993

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This plan has been compiled from various sources including a number of agencies and is not intended to be used for any purpose other than that for which it was prepared. The Department of Mines and Petroleum is not responsible for any errors or omissions in this plan. The Department of Mines and Petroleum is not responsible for any errors or omissions in this plan.

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SUBMISSION TO:	Ordinary Meeting of Council – 30 th March 2012
LOCATION:	Shire of Menzies
APPLICANT:	
FILE REF:	T/2/2
DISCLOSURE OF INTEREST:	Nil
DATE:	23 rd March 2012
AUTHOR:	C. McAllan, Deputy Chief Executive Officer
SIGNATURE OF AUTHOR:	
SENIOR OFFICER:	Kim Hastie, Acting Chief Executive Officer
SIGNATURE OF SENIOR OFFICER:	

SUMMARY:

To request permission to engage a consultant to report on satellite versus retransmission television delivery in Menzies.

BACKGROUND:

Local Councils need to decide very soon if they are going to continue to re transmit television or have the community opt in to the Satellite Subsidy Scheme from the Federal Government. Under the scheme residents will qualify for a \$400 subsidy to set their homes up for Digital Television reception however there will be \$220 shortfall.

If Council decides to continue re transmission it is going to be a costly exercise, however a fee for service could be charged.

Satellite Television and Radio Australia is to provide a comprehensive report regarding the satellite versus terrestrial television. This report will include the costs and implications for Council. The cost of the report is \$1,000.00 plus GST.

COMMENT:

If Council opt out of retransmission, this will mean tourists and visitors to the town will not be able to access television in our town unless they have their own set-top box.

It is very important that Council are aware of all the facts of both sides before making this very important decision.

CONSULTATION:

President G. Dwyer
Acting Chief Executive Officer
Kim Hastie

STATUTORY ENVIRONMENT:

Nil

POLICY IMPLICATIONS:

Nil

FINANCIAL IMPLICATIONS:

There is a budget for Consultants.

VOTING REQUIREMENTS:

Simple Majority.

OFFICERS RECOMMENDATION – COUNCIL RESOLUTION NO: 123

MOVED Cr J.A. Dwyer

SECONDED Cr C. Bennell

That Council authorise the Chief Executive Officer to engage Satellite Television and Radio Australia to provide a comprehensive report on satellite versus retransmission television in Menzies at a cost of \$1,000.00plus GST

FILE:	12 12	IB
CEO	C	PRES
14 MAR 2012		
DCEO		PO
MWS		CRC

**Satellite Television
& Radio Australia**
www.stra.com.au



March 7, 2012

Mr Brian Seale
CEO
Shire of Menzies
124 Shenton Street
Menzies, WA, 6436

Dear Mr Seale,

Most rural councils have an urgent decision to make. Do you opt out of delivering television locally via your self-help site and opt into the Federal Governments VAST direct to home service?

By opting into the Satellite Subsidy Scheme your residents will qualify for a \$400 subsidy but have at least a minimum \$220 shortfall. By retaining and upgrading your self-help sites to digital your residents will only need a \$40 HD set-top-box. A stark difference, particularly for households with more than one television.

A digital future: Something that seems to have been forgotten by many rural councils is the fact that digital television is no longer just displayed on television sets. Many exciting digital developments revolve around the delivery of video without being restricted by location. Many councils look past this and instead see digital television as a cost. Digital television terrestrial transmission should in fact be seen as an investment in the digital future of the community.


A curious decision: While almost every council in Australia is racing towards digital convergence and the adoption of communications services without wires (i.e. Wi-Fi, Digital Radio and Remote Access systems such as Telemetry) it is very curious to find many councils opting out of the most popular digital media and delivery mechanism – namely terrestrial digital television. In doing so, not only do all residents require satellite direct-to-home equipment, thereby becoming tethered by wire to a particular point, the community is then effectively excluded from wireless digital video evolution.

An untethered society: No doubt you're aware of the rapid development of smart phones, tablet computers and laptops, many of which are now able to access DVB-T terrestrial television signals effectively un-tethering and freeing people from their homes and motel rooms. Digital television can now be watched on many different devices at virtually any location. These devices are usually also Wi-Fi enabled which will enable the digital return path – the mechanism for interactive TV. Of course those communities tethered to their televisions at home will also have the same option but only at home. Visitors and travellers in those tethered communities will not have the same digital freedom.

Smart Cars: You may also be aware that many car companies are incorporating smart entertainment systems into their vehicles. These systems have traditional features like FM radio and CD and also DVD, GPS and now Wi-Fi and DVB-T reception (digital television). LCD screens in headrests and roof mounted allow passengers to watch television instead of playing eye-spy. Of course this is only true where a digital terrestrial television signal is present.

If you would like a comprehensive report regarding the satellite versus terrestrial television delivery including the costs and implications for your councils then we can prepare this for you for just \$1,000 plus GST. If you have any other questions then please do not hesitate to call me.

Kind regards,


Peter Thompson
Director/National Sales Manager

6 Birchman Court, Wodonga VIC, 3680
Telephone 02 6059 7627 Mob. 0427517543
e: admin@stra.com.au w: www.stra.com.au
ABN 43168927057

Acting Chief Executive Officer Kim Hastie declares an interest in the following item.
Deputy Chief Executive Officer Carol McAllan declares an interest in the following item
" Council determined that both Mr. Hastie and Mrs McAllan could remain in chambers."

No: 9.5 INTEREST ON HOUSING BONDS
--

SUBMISSION TO:	Ordinary Meeting of Council – 30 th March 2012
LOCATION:	Shire of Menzies
APPLICANT:	C. McAllan
FILE REF:	
DISCLOSURE OF INTEREST:	The A/CEO and the D/CEO both declare a financial interest in this item as it is a matter pertaining to staff conditions of employment.
DATE:	23 RD March 2012
AUTHOR:	C. McAllan, Deputy Chief executive Officer
SIGNATURE OF AUTHOR:	
SENIOR OFFICER:	Kim Hastie, Chief Executive Officer
SIGNATURE OF SENIOR OFFICER:	

SUMMARY:

To introduce a policy of paying 5% interest on money in the Trust Account.

BACKGROUND:

Section 6 of the Residential Tenancies Act 1987 says an owner must pay a tenant interest on money held as a bond. Shire of Menzies operates a Trust Account which holds tenants bond money. As this is a business account with a balance of less than \$10,000, no interest is paid by the bank. For this reason Shire of Menzies must pay the interest from their Municipal Account. As interest rates change from day to day it would be a substantial mathematical calculation to determine the interest due when a tenant has their bond returned. 5% seems to be a figure that is fair and reasonable to both parties.

COMMENT:

CONSULTATION:

Kim Hastie, Acting Chief Executive Officer.

STATUTORY ENVIRONMENT:

Section 6 ,Residential Tenancies Act 1987

6. Terms on which bond held by financial institution

- (1) An authorised financial institution to which the amount of a security bond is paid under clause 2(1)(b) shall hold that amount on the following terms —
- [(a) *deleted*]
 - (b) interest at a rate not less than the prescribed rate shall accrue on the amount for the period during which it is held;

POLICY IMPLICATIONS:

This would be a new policy.

FINANCIAL IMPLICATIONS:

Based on bonds in the trust account now, it would be \$150.00 but this could change.

VOTING REQUIREMENTS:

Absolute Majority

OFFICERS RECOMMENDATION – COUNCIL RESOLUTION NO: 124

MOVED Cr J.A. Dwyer

SECONDED Cr I.R. Tucker

That council authorise the Chief Executive Officer to pay from the Municipal Account, 5% interest on all housing bonds withdrawn from the Trust Account

Carried 6/0

MOVED: Cr. I.R. Tucker

SECONDED: Cr. C. Bennell

That Council adjourn the meeting for morning tea at 11.31am.

The President reconvened the meeting at 11.46am with Bret Howson in attendance.

Cr. P.J. Twigg declares an interest in this item in that he is named as a contact for one of the tenderers.

Deputy Chief Executive Officer C. McAllan vacates chambers at 11.51am

Deputy Chief Executive Officer C. McAllan returns to chambers at 11.52am

Cr. P.J. Twigg vacates chambers at 11.53am

Bret Howson enters chambers at 11.53am

No: 9.6 TENDER 03/11 HIRE OF PLANT AND SERVICES – Two (2) YEAR PANEL CONTRACT
--

SUBMISSION TO:	Ordinary Meeting of Council – 30th March 2012
LOCATION:	Shire of Menzies
APPLICANT:	
FILE REF:	T/3/3
DISCLOSURE OF INTEREST:	Nil
DATE:	20th March 2012
AUTHOR:	Bret Howson, Project Manager (Consultant)
SIGNATURE OF AUTHOR:	
SENIOR OFFICER:	Kim Hastie, Acting Chief Executive Officer
SIGNATURE OF SENIOR OFFICER:	

SUMMARY:

This item is to recommend the award of Tender 03/11 the Hire of Plant and Services – Two (2) Year Panel Contract.

BACKGROUND:

This contract will be a panel type contract for a period of two (2) years, with possible extension into the third year whilst the next panel tender is being developed, advertised and awarded.

Each component of this tender will be awarded to a Primary Tenderer and a Secondary Tenderer. This means that the Primary Tenderer will be offered the works relevant to the tendered task first. If the Primary Tenderer cannot carry out the works, the task(s) will then be offered to the Secondary Tenderer.

If the Primary Tenderer cannot be contacted by all reasonable methods and within a timeframe which does not affect the project or task, the Shire may then approach the Secondary Tenderer to complete the task.

The Shire is under no obligation to use either tenderer, and may use their own plant and workforce to complete tasks. The Shire may also prepare and tender other projects for public submissions for any reason (including external funding requirement, other 3rd party requirement, statutory or government agency requirements) and are under no obligation to use the tenderers under this panel contract.

Items of plant will be selected on the basis of the most economically and efficient method of completing the task within the budget and timeframe.

Below is a list of plant and services included in the contract documents.

Types of plant required

- Grader 140H or similar
- Frontend Loader 2.5m3 to 3.0m3
- Dozer D7 or similar
- Watercart Roadtrain - 45,000litre minimum
- Watercart Truck - 10,000litre minimum

- Roadtrain side tipper
- 6 wheel End Tipper
- Dual smooth/Padfoot roller – 16tonne minimum
- Multi tyre roller – 16tonne minimum
- Machinery float
- Traffic Management
- All Camp Facilities
- Any Plant items offered

Types of services required:

- Plumber
- Electrician
- Structural Engineering
- Building maintenance
- Carpenter
- Mechanical services
- Septic Pump out and Maintenance Services

This is a two (2) year period panel contract and some projects will be remote in location and only items of plant will be selected if all regulatory compliances are current and the items of plant are fit for purpose at the discretion of the Site Project Manager. Worksite safety is our highest priority.

A tender for the hire of plant and services for two (2) years was prepared and advertised in the Western Australian Newspaper on Saturday 28th January 2012.

COMMENT:

The above tender closed on 28th February 2012, and was opened by Council Officers on 2nd March 2012.

Five (5) tenders were received and all were assessed as complying with the tendering requirements. The tenders were received from:

- Ilkurlka Aboriginal Corporation, Kalgoorlie WA
- Sherrin Rentals, Welshpool WA
- Gary Miller Grading Contracting, Menzies WA
- Hampton Transport Services, Kalgoorlie WA
- Zarzal Pty Ltd (Ashley Johns), Busselton WA

All tenderers were assessed and considered to have complied with the following initial criteria:

- Compliance with the Specification contained in the Request.
- Compliance with the Conditions of Tendering this Request.
- Compliance with the Quality Assurance requirement for this Request.
- Compliance with and completion of the Price Schedule.

Not all items were tendered for; therefore the officer's recommendation will only list for award of the relevant items. Below is the list of the items which the Council did not receive submissions.

PRIMARY

Item A. <u>NO SUBMISSION</u>		
Plumber	Rate	Unit
Labour Rate only		Hour

SECONDARY

Item A. <u>NO SUBMISSION</u>		
Plumber	Rate	Unit
Labour Rate only		Hour

Electrical NO SUBMISSION	Rate	Unit
Labour Rate only		Hour

Electrical NO SUBMISSION	Rate	Unit
Labour Rate only		Hour

Item G. NO SUBMISSION		
Septic Pumping and Maintenance Services	Rate	Unit
Labour Rate only		Hour

Item G. NO SUBMISSION		
Septic Pumping and Maintenance Services	Rate	Unit
Labour Rate only		Hour

The Weighting Criteria used for assessment of each submission was as follows:

Description of Qualitative Criteria	Weighting %
A) Value for Money i. Price;	70%
B) Relevant Experience in providing this service i. Provide details of similar services; ii. Demonstrate competency and proven track record of achievement in this field;	20%
C) Respondent's Resources Respondents should demonstrate their ability and sustain the necessary ; i. Plant, equipment and materials necessary to supply and provide service; ii. Any contingency measures or back up of resources including personnel (where applicable).	10%

All submissions were assessed with the maximum weighting for parts B) and C) above and therefore A) Value for Money criteria became the assessed difference between the recommended primary and secondary tenderers.

Should the Council endorse the recommendation below; officers can engage these items and services as required without need to obtain other quotations. For the services which did not receive a submission, and other services required by the Council, officers will follow Part 4 (Provision of Goods and Services) of the Local Government (Functions and General) Regulations 1996 and obtain verbal and written quotations as required.

All works will still be negotiated with the primary and secondary tenderers as required and a Shire purchase order will be issued for the agreed amount. Daily dockets and timesheets will be requested from the contractor and referenced to the quotation and purchase before payment is made.

The contractors will be advised that any works done without a shire purchase order will not be paid for by the Shire.

CONSULTATION:

Consultation was held with Mr Peter Twigg from Ilkurlka Aboriginal Corporation who stated that they would only be interested in works associated with the Tjuntjuntjarra Aboriginal Community as mobilisation to work on the western side of the Shire would prove to be too inefficient. However this was not mentioned in the tender submission so officers carried out the assessment on the written submission.

Should the Council endorse the officer's recommendation which allocates Ilkurlka Aboriginal Corporations as the Shire wide Primary Tenderer for some items, Shire staff will seek written agreement from the corporation on the area(s) they wish to operate and in all other cases the Secondary Tenderer will be offered the works for the two year term of this panel contract.

STATUTORY ENVIRONMENT:

Legally a Local Government, as a public body, has the responsibility to follow the appropriate processes and to treat all tenderers fairly. The terms and conditions set out in this contract is the standard WALGA contract document and imply that the Shire of Menzies has acted legally and fairly to all tenderers in this case.

Section 3.57(1) of the Local Government Act 1995 requires a Local Government to invites tenders before it enters into a contract for a purchase of a prescribed kind, however Part 4 (Provision of Goods and Services) of the Local Government (Functions and General) Regulations 1996, Regulation 11 states this is only required for purchases worth more than \$100,000 unless Council have delegated otherwise.

The preparation, assessment and award of this tender complies with Part 4 (Provision of Goods and Services) of the Local Government (Functions and General) Regulations 1996 Division 2 – Tendering for Goods and Services.

POLICY IMPLICATIONS:

Nil

FINANCIAL IMPLICATIONS:

The preparation and award of this panel contract will give Shire staff the ability to quantify, estimate and agree to the cost structure of a project (or task) before issuing purchase orders. It will also enable staff to build robust project estimates for next financial year's budget consideration.

VOTING REQUIREMENTS:

Absolute Majority

OFFICERS RECOMMENDATION – COUNCIL RESOLUTION NO: 125

MOVED Cr I.R. Tucker

SECONDED Cr J.A. Dwyer

1. That Council award Tender 03/11 for the Hire of Plant and Services - Two(2) Year Panel Contract as follows:

PRIMARY

Ilkurlka Aboriginal Corporation	Peter Twigg	08 90371147
Item 1.		
Grader 140H or similar	Rate	Unit
While in use	\$ 150.00	per hour
On standby (no operator)	\$ 50.00	Hour
Labour Rate only	\$ -	Hour
Mobilisation	\$ 150.00	Item
Demobilisation	\$ 150.00	item

SECONDARY

Gary Miller Grading Contracting P/L	Gary Miller	0428 934 925
Item 1.		
Grader 140H or similar	Rate	Unit
While in use	\$ 170.00	per hour
On standby (no operator)	\$ 80.00	Hour
Labour Rate only	\$ 44.00	Hour
Mobilisation	\$ 170.00	Item
Demobilisation	\$ 170.00	item

PRIMARY

Ilkurlka Aboriginal Corporation	Peter Twigg	08 90371147
Item 2.		
Frontend Loader 2.5m3 – 3.0m3	Rate	Unit
While in use	\$150.00	per hour
On standby (no operator)	\$ 50.00	Hour
Labour Rate only	\$ 60.00	Hour
Mobilisation	\$150.00	Item
Demobilisation	\$ 150.00	item

SECONDARY

Hamptons Transport Services P/L	Greg Price	08 9026 0111
Item 2.		
Frontend Loader 2.5m3 – 3.0m3	Rate	Unit
While in use	\$170.50	per hour
On standby (no operator)	\$ 58.00	Hour
Labour Rate only	\$ 59.40	Hour
Mobilisation	\$ 660.00	Item
Demobilisation	\$ 660.00	item

PRIMARY

Ilkurlka Aboriginal Corporation		Peter Twigg	08 90371147
Item 3.			
Dozer D7 or similar	Rate	Unit	
While in use	\$ 150.00	per hour	
On standby (no operator)	\$ 50.00	Hour	
Labour Rate only	\$ 60.00	Hour	
Mobilisation	\$ 150.00	Item	
Demobilisation	\$ 150.00	item	

SECONDARY

NO SUBMISSIONS		
Item 3.		
Dozer D7 or similar	Rate	Unit
While in use		per hour
On standby (no operator)		Hour
Labour Rate only		Hour
Mobilisation		Item
Demobilisation		item

PRIMARY

Ilkurlka Aboriginal Corporation		Peter Twigg	08 90371147
Item 4.			
Watercart Roadtrain – 45,000litres minimum	Rate	Unit	
While in use**	\$ 50.00	per hour	
On standby (no operator)	\$ 50.00	Hour	
Labour Rate only	\$ 60.00	Hour	
Mobilisation	\$ 50.00	Item	
Demobilisation	\$ 50.00	item	

** (plus \$100 per hour for primer mover as required)

SECONDARY

Hamptons Transport Services P/L		Greg Price	08 9026 0111
Item 4.			
Watercart Roadtrain – 45,000litres minimum	Rate	Unit	
While in use	\$ 198.00	per hour	
On standby (no operator)	\$ 66.00	Hour	
Labour Rate only	\$ 59.40	Hour	
Mobilisation	\$ 300.00	Item	
Demobilisation	\$ 300.00	item	

PRIMARY

Hamptons Transport Services P/L		Greg Price	08 9026 0111
Item 5.			
Watercart truck – 10,000litres minimum	Rate	Unit	
While in use	\$ 132.00	per hour	
On standby (no operator)	\$ 45.00	Hour	
Labour Rate only	\$ 59.40	Hour	
Mobilisation	\$ 500.00	Item	
Demobilisation	\$ 500.00	item	

SECONDARY

Sherrin Rentals P/L		Damien Pollock	3635 4500
Item 5.			
Watercart truck – 10,000litres minimum	Rate	Unit	
While in use	\$ 464.07	per day	
On standby (no operator)		Hour	
Labour Rate only		Hour	
Mobilisation		Item	
Demobilisation		item	

PRIMARY

Hamptons Transport Services P/L		Greg Price	08 9026 0111
Item 6.			
6 Wheel End Tipper	Rate	Unit	
While in use	\$ 137.50	per hour	
On standby (no operator)	\$ 45.00	Hour	
Labour Rate only	\$ 59.40	Hour	
Mobilisation	\$ 500.00	Item	
Demobilisation	\$ 500.00	item	

SECONDARY

NO SUBMISSIONS		
Item 6.		
6 Wheel End Tipper	Rate	Unit
While in use		per hour
On standby (no operator)		Hour
Labour Rate only		Hour
Mobilisation		Item
Demobilisation		item

PRIMARY

Hamptons Transport Services P/L		Greg Price	08 9026 0111
Item 7.			
Dual Smooth Drum/Padfoot Roller – 16tonne minimum	Rate	Unit	
While in use	\$143.00	per hour	
On standby (no operator)	\$ 50.00	Hour	
Labour Rate only	\$ 59.40	Hour	
Mobilisation	\$ 660.00	Item	
Demobilisation	\$ 660.00	item	

SECONDARY

Sherrin Rentals P/L		Damien Pollock	3635 4500
Item 7.			
Dual Smooth Drum/Padfoot Roller – 16tonne minimum	Rate	Unit	
While in use	\$ 309.37	per day	
On standby (no operator)		Hour	
Labour Rate only		Hour	
Mobilisation		Item	
Demobilisation		item	

PRIMARY

Ilkurlka Aboriginal Corporation		Peter Twigg	08 90371147
Item 8.			
Multi-tyre Roller 16tonnne minimum	Rate	Unit	
While in use	\$ 120.00	per hour	
On standby (no operator)	\$ 50.00	Hour	
Labour Rate only	\$ 60.00	Hour	
Mobilisation	\$ 120.00	Item	
Demobilisation	\$ 120.00	item	

SECONDARY

SECONDARY

Hamptons Transport Services P/L	Greg Price	08 9026 0111
Item 8.		
Multi-tyre Roller 16tonne minimum	Rate	Unit
While in use	\$ 143.00	per hour
On standby (no operator)	\$ 50.00	Hour
Labour Rate only	\$ 59.40	Hour
Mobilisation	\$ 880.00	Item
Demobilisation	\$ 880.00	item

PRIMARY

Ilkurlka Aboriginal Corporation	Peter Twigg	08 90371147
Item 9.		
Heavy Machinery Float	Rate	Unit
While in use**	\$ 50.00	per hour
On standby (no operator)	\$ 50.00	Hour
Labour Rate only	\$ 60.00	Hour
Mobilisation	\$ 50.00	Item
Demobilisation	\$ 50.00	item

SECONDARY

Hamptons Transport Services P/L		Greg Price	08 9026 0111
Item 9.			
Heavy Machinery Float	Rate	Unit	
While in use	\$ 192.50	per hour	
On standby (no operator)	\$ 65.00	Hour	
Labour Rate only	\$ 66.21	Hour	
Mobilisation	\$ 192.50	Item	
Demobilisation	\$ 192.50	item	

** (plus \$100 per hour for primer mover as required)

PRIMARY

Ilkurlka Aboriginal Corporation	Peter Twigg	08 90371147
Item 10.		
Traffic Management	Rate	Unit
1 x Traffic Control + vehicle and signage	\$ 110.00	per hour
2 x Traffic Control + vehicle and signage	\$ 170.00	Hour
3 x Traffic Control + vehicle and signage	\$ 230.00	Hour
Preparation of a Traffic Management Plan	\$ 400.00	Item

SECONDARY

Hamptons Transport Services P/L		Greg Price	08 9026 0111
Item 10.			
Traffic Management	Rate	Unit	
1 x Traffic Control + vehicle and signage	\$ 150.00	per hour	
2 x Traffic Control + vehicle and signage	\$ 300.00	Hour	
3 x Traffic Control + vehicle and signage	\$ 450.00	Hour	
Preparation of a Traffic Management Plan	\$1,500.00	Item	

PRIMARY

Ilkurlka Aboriginal Corporation	Peter Twigg	08 90371147
Item 11.		
All Camp Facilities	Rate	Unit
Mobilisation and make operational	\$ 700.00	Item
Demobilisation and reinstate	\$ 700.00	item

SECONDARY

Hamptons Transport Services P/L	Greg Price	08 9026 0111
Item 11.		
All Camp Facilities	Rate	Unit
Mobilisation and make operational	\$5,000.00	Item
Demobilisation and reinstate	\$5,000.00	item

PRIMARY

Gary Miller Grading Contracting P/L	Gary Miller	0428 934 925
Item 12.		
Other Plant Item:	Rate	Unit
670 Grader		
While in use	\$ 165.00	per hour
On standby (no operator)	\$ 80.00	Hour
Labour Rate only	\$ 45.00	Hour
Mobilisation	\$ 65.00	Item
Demobilisation	\$ 165.00	item

SECONDARY

NO SUBMISSION		
Item 12.		
Other Plant Item:	Rate	Unit
670 Grader		
While in use		per hour
On standby (no operator)		Hour
Labour Rate only		Hour
Mobilisation		Item
Demobilisation		item

PRIMARY

Ilkurlka Aboriginal Corporation	Peter Twigg	08 90371147
Item 12.		
Other Plant Item:	Rate	Unit
Skid Steer		
While in use	\$ 100.00	per hour
On standby (no operator)	\$ 50.00	Hour
Labour Rate only	\$ 60.00	Hour
Mobilisation	\$ -	Item
Demobilisation	\$ -	item

SECONDARY

NO SUBMISSION		
Item 12.	Item 12.	Item 12.
Other Plant Item:	Rate	Unit
Skid Steer		
While in use		per hour
On standby (no operator)		Hour
Labour Rate only		Hour
Mobilisation		Item
Demobilisation		item

PRIMARY

Ilkurlka Aboriginal Corporation	Peter Twigg	08 90371147
Other Plant Item:	Rate	Unit
Tow along roller		
While in use	\$ 50.00	per hour
On standby (no operator)	\$ 50.00	Hour
Labour Rate only	\$ 60.00	Hour
Mobilisation	\$ 50.00	Item
Demobilisation	\$ 50.00	item

SECONDARY

NO SUBMISSION		
Other Plant Item:	Rate	Unit
Tow along roller		
While in use		per hour
On standby (no operator)		Hour
Labour Rate only		Hour
Mobilisation		Item
Demobilisation		item

PRIMARY

Hamptons Transport Services P/L	Greg Price	08 9026 0111
Other Plant Item:	Rate	Unit
Side Tipper 2 trailers		
While in use	\$ 176.00	per hour
On standby (no operator)	\$ 66.00	Hour
Labour Rate only	\$ 59.40	Hour
Mobilisation	\$ 300.00	Item
Demobilisation	\$ 300.00	item

SECONDARY

NO SUBMISSION		
Other Plant Item:	Rate	Unit
Side Tipper 2 trailers		
While in use		per hour
On standby (no operator)		Hour
Labour Rate only		Hour
Mobilisation		Item
Demobilisation		item

PRIMARY

Ilkurlka Aboriginal Corporation	Peter Twigg	08 90371147
Other Plant Item:	Rate	Unit
Side Tipper		
While in use**	\$ 50.00	per hour
On standby (no operator)		Hour
Labour Rate only	\$ 60.00	Hour
Mobilisation	\$ 50.00	Item
Demobilisation	\$ 50.00	item

** (plus \$100 per hour for primer mover as required)

SECONDARY

NO SUBMISSION		
Other Plant Item:	Rate	Unit
Side Tipper		
While in use		per hour
On standby (no operator)		Hour
Labour Rate only		Hour
Mobilisation		Item
Demobilisation		item

PRIMARY

Hamptons Transport Services P/L	Greg Price	08 9026 0111
Other Plant Item:	Rate	Unit
D9t Dozer		
While in use	\$ 423.50	per hour
On standby (no operator)	\$ 145.00	Hour
Labour Rate only	\$ 60.98	Hour
Mobilisation		Item
Demobilisation		item

SECONDARY

NO SUBMISSION		
Other Plant Item:	Rate	Unit
D9t Dozer		
While in use		per hour
On standby (no operator)		Hour
Labour Rate only		Hour
Mobilisation		Item
Demobilisation		item

PRIMARY

Ilkurlka Aboriginal Corporation	Peter Twigg	08 90371147
Other Plant Item:	Rate	Unit
Prime Mover		
While in use	\$ 100.00	per hour
On standby (no operator)	\$ 50.00	Hour
Labour Rate only	\$ 60.00	Hour
Mobilisation	\$ 100.00	Item
Demobilisation	\$ 100.00	item

SECONDARY

NO SUBMISSION		
Other Plant Item:	Rate	Unit
Prime Mover		
While in use		per hour
On standby (no operator)		Hour
Labour Rate only		Hour
Mobilisation		Item
Demobilisation		item

PRIMARY

Ilkurlka Aboriginal Corporation	Peter Twigg	08 90371147
Other Plant Item:	Rate	Unit
Genset and Bore Pump		
While in use	\$ 25.00	per hour
On standby (no operator)	\$ -	Hour
Labour Rate only	\$ -	Hour
Mobilisation	\$ -	Item
Demobilisation	\$ -	item

SECONDARY

NO SUBMISSION		
Other Plant Item:	Rate	Unit
Genset and Bore Pump		
While in use		per hour
On standby (no operator)		Hour
Labour Rate only		Hour
Mobilisation		Item
Demobilisation		item

PRIMARY

Ilkurlka Aboriginal Corporation	Peter Twigg	08 90371147
Other Plant Item:	Rate	Unit
8t Tipper Truck		
While in use	\$ 120.00	per hour
On standby (no operator)	\$ 50.00	Hour
Labour Rate only	\$ 60.00	Hour
Mobilisation	\$ 120.00	Item
Demobilisation	\$ 120.00	item

SECONDARY

NO SUBMISSION		
Other Plant Item:	Rate	Unit
8t Tipper Truck		
While in use		per hour
On standby (no operator)		Hour
Labour Rate only		Hour
Mobilisation		Item
Demobilisation		item

PRIMARY

Ilkurlka Aboriginal Corporation	Peter Twigg	08 90371147
Other Plant Item:	Rate	Unit
4x4 vehicle		
While in use	\$ 60.00	per hour
On standby (no operator)	\$ -	Hour
Labour Rate only	\$ -	Hour
Mobilisation	\$ -	Item
Demobilisation	\$ -	item

SECONDARY

NO SUBMISSION		
Other Plant Item:	Rate	Unit
4x4 vehicle		
While in use		per hour
On standby (no operator)		Hour
Labour Rate only		Hour
Mobilisation		Item
Demobilisation		item

PRIMARY

Ilkurlka Aboriginal Corporation	Peter Twigg	08 90371147
Other Plant Item:	Rate	Unit
Tow smooth drum roller		
While in use	\$ 25.00	per hour
On standby (no operator)	\$ -	Hour
Labour Rate only	\$ -	Hour
Mobilisation	\$ -	Item

SECONDARY

NO SUBMISSION		
Other Plant Item:	Rate	Unit
Tow smooth drum roller		
While in use		per hour
On standby (no operator)		Hour
Labour Rate only		Hour
Mobilisation		Item

Demobilisation	\$ -	item
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Demobilisation		item
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PRIMARY

Zarzal P/L	Ashley Johns	0419 941 068
Item D.		
Building Maintenance	Rate	Unit
Labour Rate only	\$ 75.00	Hour

SECONDARY

<u>NO SUBMISSION</u>		
Item D.		
Building Maintenance	Rate	Unit
Labour Rate only		Hour

PRIMARY

Zarzal P/L	Ashley Johns	0419 941 068
Item E.		
Carpenter	Rate	Unit
Labour Rate only	\$ 75.00	Hour

SECONDARY

<u>NO SUBMISSION</u>		
Item E.		
Carpenter	Rate	Unit
Labour Rate only		Hour

PRIMARY

Hamptons Transport Services P/L	Greg Price	08 9026 0111
Item F.		
Mechanical Services	Rate	Unit
Labour Rate only	\$ 110.00	Hour

SECONDARY

<u>NO SUBMISSION</u>		
Item F.		
Mechanical Services	Rate	Unit
Labour Rate only		Hour

Carried 5/0

Cr. P.J. Twigg returns to chambers at 12.02pm.

Bret Howson vacates chambers at 12.02pm

John Milikan and Tim Prentice from AngloGold Ashanti enters chambers at 12.02pm and gave a presentation to Council as to the progress on their mine site.

MOVED: Cr. J.A. Dwyer

SECONDED: Cr. I.R. Tucker

That Council adjourn for lunch at 12.40pm

The President reconvened the meeting at 1.14pm. with all Councilors and ACEO and DCEO



REQUEST FOR TENDER

Request for Tender (RFT):	Hire of Plant and Services – 2 year Period Panel Contract
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Deadline:	Tuesday 28th February 2012, 2:00pm
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Address for Delivery: NOTE: Tenders must be placed in a sealed envelope clearly marked 'TEN 03/11'. Failure to clearly mark the envelope could jeopardise the confidentiality of the tender. The Shire of Menzies accepts no responsibility for submitted tenders failing to be in the Tender Box at the time and date of closing	Tender Box Shire of Menzies 124 Shenton Street (PO Box 4) Menzies WA 6436 <i>ELECTRONIC MAIL AND FACSIMILE TENDERS WILL NOT BE ACCEPTED</i>
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RFT Number:	TEN 03/11
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1 PRINCIPAL'S REQUEST

1.1 CONTRACT REQUIREMENTS IN BRIEF

The Shire of Menzies has a requirement to hire various plant (with or without operator), equipment and services to deliver a number of projects, along with the Council's annual works program.

This contract will be a panel type contract for a period of 2 years, with possible extension into the third year whilst the next panel tender is being developed, advertised and awarded.

A full statement of the services required under the proposed Contract appears in the Specification – Part 2 and Special Conditions of Contract – Appendix A.

1.2 REQUEST FOR TENDER DOCUMENTS

BOUND INTO THIS VOLUME:

This Request for Tender is comprised of the following parts:

- (a) Part 1 – Principal's Request (read and keep this part);
- (b) Part 2 – Specification (read and keep this part);
- (c) Part 3 – Respondent's Offer (**complete and return this part**);
- (d) Part 4 – Appendix A – Special Conditions of Contract (read and keep this part);
- (e) Part 5 – Appendix B – Formal Instrument of Agreement & General Conditions of Contract (read and keep this part);

REFERENCE DOCUMENTS:

- (a) Local Government Act 1995;
- (b) Local Government (Functions & General) Regulations 1996;
- (c) Occupational Safety & Health Act 1984 (State);
- (d) Occupational Safety & Health Regulations 1996 (State);
- (e) State Records Act 2000;
- (f) Freedom of Information Act 1992;
- (g) Public Interest Disclosure Act 2003; and
- (h) Shire of Menzies Policies

1.3 DEFINITIONS

Below is a summary of some of the important defined terms used in this Request.

Attachments:	The documents you attach as part of your Response;
Council's Contract Authority:	Means Council's Chief Executive Officer or Council's nominated representative
Contractor:	Means the person or persons, corporation or corporations whose Response is accepted by the Principal, and includes the executors or administrators, successors and assigns of such person or persons, corporation or corporations;
Deadline:	The deadline for lodgement of your Response;
General Conditions of Contract:	Means the General Conditions of Contract nominated in Part 1 and incorporated in a Contract in accordance with clause 1.10.10;
Offer:	Your offer to be selected to supply the Requirements;
Principal:	Shire of Menzies. Occasionally referred to in this document as the "Shire"
Request:	This document;

1.7 SELECTION CRITERIA

The Contract may be awarded to a tenderer or tenderers who best demonstrate the ability to provide quality products and/or services at a competitive price. The tendered prices will be assessed together with the qualitative and compliance criteria to determine the most advantageous outcome to the Principal.

Each component of this tender will be awarded to a Primary Tenderer and a Secondary Tenderer. This means that the Primary tenderer will be offer the works relevant to the tendered task first. If the Primary tenderer cannot carry out the works, the task(s) will then be offered to the secondary tenderer.

If the Primary tenderer can not the contacted by all reasonable methods, the Shire may then approach the Secondary tenderer to complete the task.

The Principal has adopted a best value for money approach to this request.

This means that, although price is considered, the response containing the lowest price will not necessarily be accepted, nor will the offer ranked the highest on the qualitative criteria.

A scoring system will be used as part of the assessment of the qualitative criteria. Unless otherwise stated, a Tender that provides all the information requested will be assessed as satisfactory. The extent to which a Tender demonstrates greater satisfaction of each of these criteria will result in a greater score. The aggregate score of each Tender will be used as one of the factors in the final assessment of the qualitative criteria and in the overall assessment of value for money.

1.7.1 Compliance Criteria

These criteria are detailed within Part 3 of this document and will not be point scored. Each response will be assessed on a Yes/No basis as to whether the criterion is satisfactorily met. An assessment of "No" against any criterion may eliminate the Tender from consideration.

1.7.2 Qualitative Criteria

In determining the most advantageous tender, the Evaluation Panel will score each tender response against the qualitative criteria as detailed within Part 3 of this document. Each criterion will be weighted to indicate the relative degree of importance that the Principal places on the technical aspects of the goods or services being purchased.

NOTE: It is essential that Tenderers address each qualitative criterion. Information that you provide addressing each qualitative criterion will be point scored by the Evaluation Panel.

Failure to provide the specified information may result in elimination from the evaluation process or a low score.

1.7.3 Price Considerations

The Council has resolved to consider tender submissions by qualitative criteria as outlined in Clause 3.3.2 of this document, therefore the price is assessed with quality.

1.8 PRICE BASIS

FIXED PRICES

All prices for goods/services offered under this Request are to be fixed for one calendar year from the date of award. Each successful tenderer may request a price adjustment in the last month of the contract year. Any request for price adjustment will need to have supporting documentation to justify any increase. Any increase granted shall apply for the next contracted calendar year.

1.9.5 Disclosure of Contract Information and Documents

Documents and other information relevant to the contract may be disclosed when required by law under the *Freedom of Information Act 1992* or under a Court order.

1.9.6 Alternative Tenders

All Alternative Tenders **MUST** be accompanied by a conforming Tender.

Tenders may be submitted as Alternative Tender or made subject to conditions other than the General and Special Conditions of Contract must in all cases arising be clearly marked "**ALTERNATIVE TENDER**".

The Principal may in its absolute discretion reject any such Alternative Tender as invalid.

If the Tender is marked as an Alternative Tender, any printed "General Conditions of Contract" shown on the reverse of a Tenderer's letter or quotation form will not be binding on the Principal in the event of a Contract being awarded unless the Tender is marked as an Alternative Tender.

1.9.7 Tender Validity Period

All Tenders will remain valid and open for acceptance for a minimum period of ninety (90) days from the Deadline or forty-five (45) days from the Council's resolution for determining the Tender, whichever is the later unless extended on mutual agreement between the Principal and the Tenderer in writing.

1.9.8 Registration or Licensing of Contractors

Where an act of ordinance of the State of Western Australia requires that a Contractor (as defined by the act or ordinance be registered or licensed to carry out the work described in the Request documents, the Tenderer must state on the Tender Form in the space provided, its registration or license number.

The Tender **will not** be considered if the Tenderer fails to provide such registration or license number.

1.9.9 General Conditions of Contract

Responses will be deemed to have been made on the basis of and to incorporate the General Conditions of Contract for the Provision of Services (**refer to Appendix B**).

1.9.10 Precedence of Documents

In the event of there being any conflict or inconsistency between the terms and conditions herein and those in the General Conditions of Contract the terms and conditions appearing in this Request will have precedence.

1.9.11 Presentation of Documents

This document has been collated by mechanical means and Tenderers should check to ensure that it includes all pages, which are numbered consecutively, and that all supplements referred to are also included

Supplements that have been referred to in any section of the Specification are included at the back of this document and must be read in accordance to the section which they refer.

1.9.12 Tenderers to Inform Themselves

Tenderers will be deemed to have:

- (a) examined the Request and any other information available in writing to Tenderers for the purpose of tendering;

1.9.18 Canvassing of Elected Members or Officers

If a Tenderer, whether personally or by an agent, canvasses any of the Principal's Commissioners or Councillors (as the case may be), or Officers with a view to influencing the acceptance of any Tender made to it or any other Tenderer, then regardless of such canvassing having any influence on the acceptance of such Tender, the Principal will omit the Tenderer from consideration.

1.9.19 Identity of the Tenderer

The identity of the Respondent and the Contractor is fundamental to the Principal.

The Respondent is the person, persons, corporation or corporations named as the Tenderer in Part 3 and whose execution appears on the Offer Form in Part 3 of this Request. Upon acceptance of the Tender, the Tenderer will become the Contractor.

1.9.20 Tender Opening

Tenders will be opened in the Principal's offices, following the advertised Deadline.

The names of the persons who submitted a Tender by the Deadline will be read out at the tender opening. No discussions will be entered into between Tenderers' and the Principal's officers present or otherwise, concerning the Tenders submitted.

The Tender opening will be held at 2.15pm (AWST) on Tuesday 28th February 2012 at the Shire of Menzies Administration Office, 124 Shenton Street, Menzies WA 6275.

NOTE:

The tendered prices will not be disclosed at the opening of this Tender.

1.9.21 In-house Tenders

The Principal **does not** intend to submit an in-house Tender.

2.2 THE CLIENT

The client is the Shire of Menzies and the Manager Works and Services will be the direct contact for the duration of this contract, along with Chief Executive Officer with whom it will be necessary to consult on a regular basis.

2.3 SITE DETAILS

All works to be carried out under the contract will be within the Shire of Menzies. The tenderers should make themselves aware of the entire shire area, and submit only services and equipment that are able to safely service the entire shire.

2.4 CLIENT APPROVALS

The successful tenderer must obtain the approval of the Manager Works and Service or Chief Executive Officer (by way of obtaining a Shire of Menzies purchase order) prior to commencing any works. Failure to obtain a valid purchase order may result in not being paid for such works.

2.5 SHIRE PROJECT MANAGEMENT / CONTACT

The Acting Manager Works and Services is Mr Bret Howson. Primary contact for the contract on a day to day basis will be through Mr Bret Howson

Telephone: 0429 312264,

Facsimile: (08) 9731 2263, or

Email: projects@highway1.com.au

2.6 SHIRE OF MENZIES RESOURCES

The Shire of Menzies will be responsible for the following information pertaining to the project area:

- State Government agencies approval
- Funding
- Contractor Induction
- Strategic documents
- All Relevant Council Policies

3.2 TENDERER'S RESPONSE

The following checklist has been provided to assist you with your submission. Where it is necessary to provide additional information please ensure that all documents are clearly marked with the relevant Attachment title to assist the evaluation panel with their assessment.

(NOTE: All pages within Part 3 are to be completed and returned to the Principal as they form part of your Response).

3.2.1 Organisation Profile

If companies are involved, attach their current ASC company extracts search including latest annual return and label it "ASC Company Extracts" .	"ASC Company Extracts"	Tick if attached <input type="checkbox"/>
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3.2.2 Referees

Attach details of your referees, and label it "Referees" . You should give examples of services provided for your referees (at least three).	"Referees"	Tick if attached <input type="checkbox"/>
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3.2.3 Subcontractors

Do you intend to subcontract any of the Requirements?	Yes / No	
If Yes, in an attachment labelled "Subcontractors" provide details of the subcontractor(s) including: (a) the name, address and the number of people employed; and (b) the Requirements that will be subcontracted.	"Subcontractors"	Tick if attached <input type="checkbox"/>

3.2.4 Conflicts of Interest

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?	Yes / No	
If Yes, please supply in an attachment details of any actual or potential conflict of interest and the way in which any conflict will be dealt with and label it "Conflicts of Interest" .	"Conflicts of Interest"	Tick if attached <input type="checkbox"/>

3.3.2 Qualitative Criteria

Before responding to the following qualitative criteria, Respondents must note the following:

- all information relevant to your answers are to be contained within your response to each criterion;
- Tenderers are to assume that the Evaluation Panel has no previous knowledge of your organisation, its activities or experience;
- Tenderers are to provide full details for any claims, statements or examples used to address the qualitative criteria; and
- Tenderers are to address each issue outlined within a qualitative criterion.

Description of Qualitative Criteria	Weighting
	%
A) Value for Money i. Price;	70%
B) Relevant Experience in providing this service i. Provide details of similar services; ii. Demonstrate competency and proven track record of achievement in this field;	20%
C) Respondent's Resources Respondents should demonstrate their ability and sustain the necessary ; i. Plant, equipment and materials necessary to supply and provide service; ii. Any contingency measures or back up of resources including personnel (where applicable).	10%

3.4 PRICE INFORMATION

Tenderers **must** complete the following "Price Schedule". Before completing the Price Schedule, Tenderers should ensure they have read this entire Request for Tender.

3.4.1 Electronic Funds Transfer

Do you have the facility for payments by EFT?	Yes / No

Item 2.

Frontend Loader 2.5m³ – 3.0m³	Rate	Unit
While in use		per hour
On standby (no operator)		Hour
Labour Rate only		Hour
Mobilisation		Item
Demobilisation		item

Work tasks are (but not limited too):

- General Road Maintenance and Construction
- Drainage and road side maintenance
- Loading / unloading materials and resources as required

Item 3.

Dozer D7 or similar	Rate	Unit
While in use		per hour
On standby (no operator)		Hour
Labour Rate only		Hour
Mobilisation		Item
Demobilisation		item

Work tasks are (but not limited too):

- General Road Maintenance and Construction
- Drainage and road side maintenance
- Rip/pushing materials and resources as required

Item 4.

Watercart Roadtrain – 45,000litres minimum	Rate	Unit
While in use		per hour
On standby (no operator)		Hour
Labour Rate only		Hour
Mobilisation		Item
Demobilisation		item

Work tasks are (but not limited too):

- General Road Maintenance and Construction
- Drainage and road side maintenance
- Water carting as required

Item 8.

Multi-tyre Roller 16tonnne minimum	Rate	Unit
While in use		per hour
On standby (no operator)		Hour
Labour Rate only		Hour
Mobilisation		Item
Demobilisation		item

Work tasks are (but not limited too):

- General Road Maintenance and Construction
- Drainage and road side maintenance

Item 9.

Heavy Machinery Float	Rate	Unit
While in use		per hour
On standby (no operator)		Hour
Labour Rate only		Hour
Mobilisation		Item
Demobilisation		item

Work tasks are (but not limited too):

- Transportation of General Road Maintenance and Construction machinery
- Loading / unloading and transportation of plant and equipment as required

Item 10.

Traffic Management	Rate	Unit
1 x Traffic Control + vehicle and signage		per hour
2 x Traffic Control + vehicle and signage		Hour
3 x Traffic Control + vehicle and signage		Hour
Preparation of a Traffic Management Plan		Item

Work tasks are (but not limited too):

- General Road Maintenance and Construction
- Drainage and road side maintenance
- Festivals and Events

Services**Item A.**

Plumber	Rate	Unit
Labour Rate only		Hour

Work tasks are (but not limited too):

- General Maintenance and New plumbing installations
- Emergency callouts and repairs
- Service Relocation for road works

Item B.

Electrical	Rate	Unit
Labour Rate only		Hour

Work tasks are (but not limited too):

- General Maintenance and New electrical installations
- Emergency callouts and repairs
- Service Relocation for road works

Item C.

Structural Engineering	Rate	Unit
Labour Rate only		Hour

Work tasks are (but not limited too):

- Structural assessment and design for building renovations

Item D.

Building Maintenance	Rate	Unit
Labour Rate only		Hour

Work tasks are (but not limited too):

- General Maintenance and small building construction
- Emergency callouts and repairs

Item E.

Carpenter	Rate	Unit
Labour Rate only		Hour

Work tasks are (but not limited too):

- General Maintenance and New carpentry works
- Emergency callouts and repairs

Item F.

Mechanical Services	Rate	Unit
Labour Rate only		Hour

Work tasks are (but not limited too):

- General Maintenance of light and heavy construction vehicles
- Mechanical fabrication

4 APPENDIX A – SPECIAL CONDITIONS OF CONTRACT

4.1 PERIOD OF CONTRACT AND TERMINATION

SUPPLY CONTRACT

The Contract is to be completed on supply of the Requirements.

4.2 INSURANCES

The Contractor and its subcontractor(s) (if any) will be required to effect and maintain the insurance policies referred to in the General Conditions of Contract in the following sums:

- (a) Public liability insurance in the sum of at least \$1,000,000 (one million) in respect of any one occurrence and for an unlimited number of claims.
- (b) Workers Compensation or Personal Accident Insurance cover as required by law (whichever may apply).
- (c) Professional indemnity insurance in the sum of at least \$1, 000,000 (one million) in respect of any one occurrence and for an unlimited number of claims.

4.3 FEE FOR SERVICE

The Contract is on the basis of a fee for services provided. Should the project at any point and for any reason not proceed to completion, then payment will be on the basis of the works/services provided and agreed at the point the project ceases and the contract will be terminated.

It is understood that all material associated with any task purchased by the contractor, will be paid for by the Shire on the receipt of itemised purchase invoice.

4.4 PAYMENT TERMS

For the fee, payment will be in the form of progress claims based on monthly invoices or at the end of the task undertaken.

Payment for work performed shall be made at the applicable tendered rate. Council reserves the right to make deductions for any failure on behalf of the Contractor to execute the works in accordance with this specification.

The rates and prices entered shall include fully for all the obligations of the Tenderer under the Contract.

The Council shall pay each invoice on net thirty days of the date of receipt of the invoice, provided and to the extent that nothing in the invoice is in dispute.

4.5 ELECTRONIC FUNDS TRANSFER (EFT)

The Principal shall pay the Contractor by Electronic Funds Transfer (EFT) and the Contractor shall provide all the necessary information required to facilitate EFT payment processing. The Principal guarantees the confidentiality and security of all such information provided by the Contractor.

- (i) Unless the Parties agree otherwise in writing, the Chairperson of the Western Australia Chapter of the Institute of Arbitrators and Mediators Australia is appointed as the Prescribed Appointor for all disputes.
- (j) Subject to circumstances beyond the control of the parties permitting, each party must continue to perform the Contract even though a Dispute exists or proceedings have been commenced.

4.10 TERMINATION OF CONTRACT

The Shire of Menzies reserves the right to terminate the contract by 14 days advice in writing in the event of any of the following circumstances:

- (a) Failure on the part of the contractor or Service Company, their employees or agents, to achieve performance goals as agreed between both parties prior to signing of the contract.
- (b) Failure on the part of the contractor, Service Company, their employees/agents, to maintain the good name of the Shire of Menzies through any misleading or improper conduct.
- (c) Insolvency of the contractor or Service Company.
- (d) Any improper or unacceptable behaviour or activities of the contractor, service company or their employees/agents which can reasonably be shown to affect the provision or quality of service under this agreement and which is not remedied within seven days after receipt of the complaint by the contractor or service company.
- (e) If an event of termination occurs and a termination notice is served on the contractor or Service Company, any alliance under the contract will come to an end.
- (f) The Shire of Menzies reserves the right to immediately make arrangements for the provision of service to meet the needs of ratepayers as specified in the tender document. Further, that all costs involved in securing a new service over and above that which would have been paid to the original contractor or service provider during the contract period will be recovered.
- (g) Nothing in this part will preclude the Shire of Menzies from recovering damages suffered from the contractor/service company as a result of early termination of the contract.

CONTRACT NO.

RFT 03/11

AGREEMENT

BETWEEN

Shire of Menzies

&

1.3 Consent of Principal

Where the Principal's consent or approval is required the consent or approval must not be unreasonably withheld.

2 Constitution of this Contract

The following documents attached hereto (including any alterations made and initialled by both parties) shall constitute this Contract, namely the following:

- a) correspondence to the extent it varies any aspect of this Contract;
- b) this document;
- c) Specification and Special Conditions;
- d) Price/Rates Schedule; and
- e) Contractor's Tender submission of

In construing this Contract and in the event of any inconsistency in these documents, the order of precedence shall be from (a) to (e) as set out in this clause.

3 Consideration

In consideration of the satisfactory, timely and complete performance of the Services by the Contractor in accordance with the Contract, the Principal shall pay to the Contractor the amount calculated on the basis of the price or such other contract sum as may become payable to the Contractor pursuant to the provisions of the Contract.

4 Contractor's Warranty

The Contractor Warrants that it has significant knowledge and experience in providing the Services and that it has and will continue to have an adequate, skilled, competent and fully trained organisation capable in all aspects of performing the Services.

EXECUTED by the Parties.

SIGNED by

L.P Strugnell
Acting Chief Executive Officer
in the presence of

(Note: **Witness** must sign and then print name)

WITNESS: NAME

- Structural Engineering
- Building maintenance
- Carpenter
- Mechanical services
- Septic Pumping and Maintenance Services

Item 1.

Grader 140H or similar	Rate	Unit
While in use		per hour
On standby (no operator)		Hour
Labour Rate only		Hour
Mobilisation		Item
Demobilisation		item

Item 2.

Frontend Loader 2.5m3 – 3.0m3	Rate	Unit
While in use		per hour
On standby (no operator)		Hour
Labour Rate only		Hour
Mobilisation		Item
Demobilisation		item

Item 3.

Dozer D7 or similar	Rate	Unit
While in use		per hour
On standby (no operator)		Hour
Labour Rate only		Hour
Mobilisation		Item
Demobilisation		item

Item 4.

Watercart Roadtrain – 45,000litres minimum	Rate	Unit
While in use		per hour
On standby (no operator)		Hour
Labour Rate only		Hour
Mobilisation		Item
Demobilisation		item

Item 9.

Heavy Machinery Float	Rate	Unit
While in use		per hour
On standby (no operator)		Hour
Labour Rate only		Hour
Mobilisation		Item
Demobilisation		item

Item 10.

Traffic Management	Rate	Unit
1 x Traffic Control + vehicle and signage		per hour
2 x Traffic Control + vehicle and signage		Hour
3 x Traffic Control + vehicle and signage		Hour
Preparation of a Traffic Management Plan		Item

Item 11.

All Camp Facilities	Rate	Unit
Mobilisation and make operational		Item
Demobilisation and reinstate		item

Item 12.

Other Plant Item:	Rate	Unit
While in use		per hour
On standby (no operator)		Hour
Labour Rate only		Hour
Mobilisation		Item
Demobilisation		item

Item D.

Building Maintenance	Rate	Unit
Labour Rate only		Hour

Item E.

Carpenter	Rate	Unit
Labour Rate only		Hour

Item F.

Mechanical Services	Rate	Unit
Labour Rate only		Hour

Item G.

Septic Pumping and Maintenance Services	Rate	Unit
Labour Rate only		Hour

SIGNED: _____ DATE: _____

GOVERNING LAW

The contract shall be governed by the laws of the State of Western Australia and the parties hereby submit to the exclusive jurisdiction of the courts of the State.

1. DEFINITIONS

1.1 In the Contract, except where the context otherwise requires:

'Clause' means a clause of these General Conditions.

'Contract' means the document which constitutes or evidences or, as the case may be, all the documents which constitute or evidence the final and concluded agreement between the Principal and the Contractor.

'Contract Price' means

- (a) where payment is to be made on a Lump Sum Basis, the sum which is stated in the contract to be payable to the Contractor for the supply of the Services by the Contractor and the performance of the obligations of the Contractor under the Contract;
- (b) where payment is to be made on a Schedule of Rates basis, the sum ascertained by calculating the product of the rates and the corresponding quantities set out in the Schedule of Rates and adding to the sum thereof the total of any lump sums, provisional sums, contingency sums or other sums included in the Schedule of Rates;
- (c) where payment is to be made on a Lump Sum and a Schedule of Rates Basis, the aggregate of the sums referred to in paragraphs (a) and (b),

but excluding any additions or deductions, which may be required to be made pursuant to the Contract.

'Contractor' means the person or persons, corporation or corporations, who contract to supply the Services the subject of the Contract.

'Council's Contract Authority' means the person who from time to time occupies or acts in the position specified in the Tender Documentation and who is authorised to administer this Contract.

'Officer' means any officer or person authorised by the Principal and notified to the Contractor as an authorised officer for the purpose of this Contract.

'Principal' means the Shire of Menzies. Referred to occasionally in this document at the "Shire"

'Services' means the whole of the services, tasks, work and requisites to be supplied rendered provided or performed by the Contractor including all variations provided for by the Contract as more fully set out in the Contract.

'Specification' means any Special Conditions, Technical Specification and Schedules forming part of the Contract; and such Specification shall be read with these General Conditions as an integral part of the Contract, but in the event of any inconsistency between the Specification and these General Conditions the former shall (unless the Contract otherwise provides) prevail.

- 3.7 The contractor must not dispose of any records detailed in The Schedule without authorisation of the Shire of Menzies.

4. PATENT RIGHTS

- 4.1 The Contractor shall indemnify and at all times keep the Principal indemnified against any action, claim, demand, costs or expenses arising from or incurred by reason of any infringement or alleged infringement by the Contractor of any letters patent, design, trade mark or name, copyright or other protected right in respect of any goods, articles, services, equipment, machinery, plant or thing, system or method of performing, using, fixing, working or arrangement used, fixed, provided or supplied by the Contractor.
- 4.2 All payments and royalties payable in respect of any such letters patent or other protected right, shall be included by the Contractor in the Contract and shall be paid by itself to the person, persons, or body to whom they may be due or payable.
- 4.3 In the event of any claim being made or brought against the Principal in respect of any of the matters stated in this clause, the Contractor shall be immediately notified thereof. The Contractor shall, with the assistance if required of the Principal, but at the Contractor's sole expense, conduct all negotiations for the settlement of the same or any litigation that may arise therefrom and in the event of the failure by the Contractor so to do, the Principal shall have power to suspend payment of any money due to the Contractor under the Contract until such claim has been satisfied, settled, or withdrawn. Should any money due, or which may thereafter become due, to the Contractor, or which may have been deposited by the Contractor as security under the Contract, be insufficient to satisfy or settle any such claim and such claim has not been satisfied or withdrawn at the date when the Contract would otherwise have been completed, the balance outstanding in respect of the claim shall be a debt due by the Contractor to the Principal.

5. TIME

- 5.1 Services under the contract shall be supplied punctually at or within the time stated in the Order and in this respect time shall be of the essence of the Contract.
- 5.2 The Contractor shall be entitled only to such extensions of time for compliance with the Contract as the Principal, upon the written application of the Contractor, may in its absolute discretion grant in writing.

6. SUPPLY OF SERVICES BY ORDER

- 6.1 The Contractor shall fulfil all orders for Services placed by the Principal during the term or currency of the Contract.
- 6.2 Where the Contract is for the supply of Services by reference to a list of Services and prices in a Schedule to the Specification, the Principal shall not be required to take or accept all or any of the Services listed EXCEPT such of the Services as may be ordered by the Principal from time to time during the period of the Contract.
- 6.3 Where the quantity or value set out in any Schedule to the Specification is described as 'approximate' it shall be regarded only as an estimate of the quantity or value which may be required under the Contract and the Principal shall not be required to take or accept the said nominated approximate quantity or value of Services.
- 6.4 The right is reserved for the Principal to order its requirements of any one type or item of the Services either at one time or in instalments or in such quantities as may be required from time to time.

9. PRICE VARIATIONS

- 9.1 Contract prices shall be firm unless otherwise stated in the Contract.
- 9.2 Where Contract prices are variable, and the Contractor wishes to claim for a variation in price during the term of the Contract, then the Contractor shall give the Principal full details of the make-up of the claim, including all applicable information as to the cost of materials, direct labour, overheads, profit and such other cost components as the Principal may require to verify any claim for variation. All applications for variation must show in statement form the existing approved Contract prices, the proposed price increase and proposed new Contract price on an item-by-item basis and shall be accompanied by all relevant determinations and documents in support of the claim.
- 9.3 Where the Contract price is the price ruling at date of performance of the Services the Contractor shall produce to the Principal evidence to verify each claim for payment.
- 9.4 Where trade list prices form the basis of the Contract the Contractor shall identify the trade list referred to by date, number or other suitable reference.
- 9.5 Reductions affecting the Contract rates shall be notified by the Contractor to the Principal immediately they occur and the Contractor shall repay to the Principal the full amount of any overpayment made by the Principal within fourteen (14) days of the reduction being authorised by the Principal.
- 9.6 Applications for variation of variable Contract prices or rates by the Contractor shall be submitted in writing to the Principal as far in advance as practicable of the date from which the variation is sought to commence.
- All variations must be approved by the Principal shall operate from a date determined by the Principal, which shall not be earlier than the date of the formal application for variation.
- The onus shall be upon the Contractor to prove to the satisfaction of the Principal all details of any variation claimed.
- 9.7 In all matters of price variations (up or down) the Contractor shall make available to the Principal within the time specified by the Principal such information, records, facts and figures as the Principal shall require. Failure to supply the required information, records, facts and figures shall entitle the Principal to refuse the variation.
- 9.8 Where the variation is to be determined on the basis of decisions by the Australian Competition and Consumer Commission such variations will be effective on the date nominated by the Australian Competition and Consumer Commission and will be binding on all parties. Should the Australian Competition and Consumer Commission cease to operate during the period of the Contract, a new variation arrangement will be negotiated by mutual agreement. If agreement cannot be reached, the Contract may forthwith be determined by either party by written notice to the other.

10. ASSIGNING OR SUBLETTING

The Contractor shall not without the previous consent of the Principal in writing, assign transfer mortgage charge encumber sublet or subcontract the Contract, or any part thereof. The Contractor shall not assign transfer mortgage, charge, or encumber, all or any of the moneys payable or to become payable or any other interest or benefit under the Contract without the consent in writing of the Principal being first obtained. Any consent shall not

Contractor and unpaid, and all sums of money (if any) held as security, shall be forfeited and may be retained by the Principal.

- 11.5 Upon termination of the Contract all moneys previously paid to the Contractor shall be deemed to be in full satisfaction of all claims of the Contractor of any kind or description whatsoever under or in respect of the Contract.
- 11.6 Upon termination of the Contract any alliance under the contract will come to an end.

12. FAILURE TO SUPPLY

Where a state of emergency exists or where the Contractor is unable or fails (for whatever reason) to supply and provide the Services at any time or in any place the Principal may without being liable in any way to the Contractor obtain or acquire such Services as it requires during the state of emergency or at that time or in that place (as the case may be) from any other source supplier or provider thereof. The existence of a state of emergency shall be determined by the Principal in its sole discretion.

13. POWER TO ACT FOR THE PRINCIPAL

Anything to be done or performed by the Principal may be done and performed by any person duly authorised by the Principal.

14. VARIATION OF CONTRACT TERMS

None of the terms of the Contract shall be varied, waived, discharged or released either at law or in equity, unless by the express agreement of the Principal in writing.

15. SUSPENSION OF PAYMENTS

Should the Contractor refuse or neglect to carry out the instructions of the Principal in regard to any matter connected with the Contract, the Principal may suspend all payments to the Contractor until such instructions have been complied with.

16. DEDUCTION OF CHARGES OR DEBTS

- 16.1 Without limiting the Principal's rights under the any of the foregoing clauses hereof any debt due from the Contractor to the Principal may be deducted by the Principal from any moneys which may be or thereafter become payable to the Contractor by the Principal, and if such moneys are insufficient for this purpose, then from the Contractor's security under the Contract. Nothing in this clause shall affect the right of the Principal to recover from the Contractor the whole of the debt or any balance that remains owing after deduction.
- 16.2 The Contractor hereby acknowledges and agrees that all moneys becoming payable by the Contractor in respect of the Contract and all costs, expenses, losses, and damages hereinbefore mentioned, and for which the Contractor shall become liable at any time under the Contract, may be deducted and paid by the Principal from any sum or sums due, or which may become due, to the Contractor under or in respect of any other contract or contracts which may be subsisting between the Contractor and the Principal for the time being.

17. PAYMENT

19. CONTRACTOR TO INFORM ITSELF

The Contractor shall be deemed to have:

- (a) examined carefully and to have acquired actual knowledge of the contents of the Drawings, Specification, Schedules, Bills of Quantities (if any), Conditions of Tendering, these General Conditions of Contract and the Special Conditions of Contract (if any) and any other information made available in writing by the Principal to the Contractor for the purpose of tendering; and
- (b) examined the site and its surroundings; and
- (c) satisfied itself as to the correctness and sufficiency of its tender and that its price covers the cost of complying with all its obligations under the Contract and of all matters and things necessary for the due and proper performance and completion of the contract.

Failure by the Contractor to do all or any of the things it is deemed to have done under this clause will not relieve the Contractor of its liability to perform and complete the Contract in accordance with the terms and conditions thereof.

20. COMPLYING WITH STATUTORY REQUIREMENTS

- 20.1 The Contractor shall comply with the requirements of all Acts of the Parliament of the Commonwealth and with the requirements of the provisions of all Acts of the Parliament of the State of Western Australia and with the requirements of all ordinances, rules, regulations, by-laws, orders, codes of practice and proclamations made or issued under any such Act and with the lawful requirements of public and other authorities in any way affecting or applicable to the Services or the performance of the Contract.
- 20.2 Without limiting in any way the generality of the foregoing, the Contractor shall duly and punctually observe, perform and comply with the provisions of the Occupational, Safety and Health Act 1984 and all improvement notices, prohibition notices and codes of practice (if any) issued thereunder and having application to this Contract.
- 20.3 If, in the opinion of the Contractor, the provisions of any document forming part of the Contract are at variance with any such requirements, the Contractor shall give written notice to the Principal specifying the departure from such provisions which he considers necessary to comply with such requirements.

21. PROPERTY DAMAGE AND PUBLIC RISK

- 21.1 Subject to the next succeeding paragraph of this clause, the Contractor shall indemnify and keep indemnified the Principal against all loss of or damage to the property of the Principal and from and against any claim, demand, action, suit or proceeding that may be made or brought by any person against the Principal, or the employees, professional consultants or agents of the Principal or any of them in respect of personal injury to or the death of any person whomsoever or loss of or damage to any property whatsoever arising out of or as a consequence of the supply or provision of the Services by the Contractor or its employees, agents or sub-contractors and also from any costs and expense that may be incurred in connection with any such claim, demand, action, suit or proceeding.
- 21.2 The Contractor shall not, under the last preceding paragraph of this clause, be rendered liable for or in respect of personal injury to or the death of any person or loss of or damage to property resulting from any breach by the Principal of any provision of the Contract or any negligent act or omission of the Principal, or the employees, professional consultants or

- 23.2 The Contractor is to provide the Principle with Certificates of Currency and/or a copy of the Policy wording confirming as laid down within the tender document (if not mentioned, within seven (7) days) that the above Insurance policies are in place for the entire Contract period.
- 23.3 The Contractor at the discretion of the Principle may be required to provide the Principle with a Risk Management Plan relating to the Contract in accordance with AS/NZS 4360-2004 Risk Management.
- 23.4 The Contractor at the discretion of the Principle may be required to detail the Principle as a Joint Named Insured under some or all of the Insurances detailed under Clause 23.1 and/or detail the Principles Interest by way of notation on Certificates of Currency.

24. CONFLICT OF INTEREST

- 24.1 The Contractor warrants that, to the best of its knowledge after making diligent inquiry, at the date of signing the Contract no conflict with interests of the Principal exists is likely to arise in the performance of the Services.
- 24.2 If, during the performance of the Contract, a conflict of interest arises, or appears to arise, the Contractor agrees to:
- (a) Notify the Principal immediately in writing.
 - (b) Make full disclosure of all relevant information relating to the conflict; and
 - (c) Take such steps as the Principal may reasonably require to resolve or otherwise deal with the conflict.
- 24.3 If the Contractor does not notify the Principal or is unable or unwilling to resolve or deal with the conflict as required, the Principal may terminate the Contract.
- 24.4 The Contractor agrees that it will not, and will use its best endeavours to ensure that any officer, employee, agent or subcontractor of the Contractor does not, engage in any activity or obtain any interest during the course of the Contract that is likely to conflict with or restrict the Contractor in providing the Services to the Principal fairly and independently.

25. WARRANTIES

The Contractor shall obtain warranties as specified in the Contract and shall ensure that the Principal will have the benefit of the warranties. The Contractor shall ensure that the Principal will have the benefit of any warranties specified in the Contract that are obtained by the sub-contractors of the Contractor.

26. PATTERNS, JIGS, DIES AND DRAWINGS

If for the purpose of performing the Contract it is necessary for the Contractor to make, purchase or otherwise acquire any pattern, jig, die, drawing or other aid to manufacture or production and the cost of such making purchase or acquisition is included in the Contract Price the pattern, jig, die, drawing or other aid to manufacture or production is to become the property of the Principal, the Contractor shall deliver it properly packed and labelled to a point of delivery nominated by the Principal before completion of the Contract.

27. OWNERSHIP

SUBMISSION TO:	Ordinary Meeting of Council – 30 TH March 2012.
LOCATION:	Shire of Menzies
APPLICANT:	David William McKenna
FILE REF:	M/5/4
DISCLOSURE OF INTEREST:	Nil
DATE:	13 th March 2012
AUTHOR:	G.J. Agnew, Environmental Health / Building
SIGNATURE OF AUTHOR:	
SENIOR OFFICER:	Kim Hastie, Acting Chief Executive Officer
SIGNATURE OF SENIOR OFFICER:	

SUMMARY:

Determination of an Application for Planning Approval for a change-of-use of a portion of the Menzies Hotel.

COMMENT:

Council is in receipt of an Application for Planning Approval from David William McKenna of the Menzies Hotel for de-Licensing under his Liquor License of the Hotel's Dining Room and converting it to a small general store for the public – see **Attachment '1'**.

Mr. McKenna describes his proposal in his application as follows:

Since the closure of the Road House, we have provided a small type General Store to assist the locals with everyday items, located behind the front bar area of the Hotel.

Racing and Gaming are not in favour of this area as it is a Licensed Area!

However they have agreed that I can de License the dining room area for the shop area. All amenities are in place, kitchen etc.

I need to have an entry (doorway) built into the south side of the Hotel to have direct access to the shop, enabling the under 18 to come & go without restriction, we also will expand the shop to cater for the local community.

Council is advised that the Menzies Hotel is located on Lot 22 Shenton Street with the Beer Garden encroaching onto lot 23 Shenton Street – according to Council records both lots 22 & 23 are owned by David William McKenna C/o Post Office Menzies 6436.

South of the Hotel is a vacant 1000m² area of land on the corner of Shenton Street and Brown Street which is made up of 3 smaller Lots i.e. 1, 2 and 3 - see **Attachment '2'**.

I am advised that lots 1 and 2 Brown Street are owned freehold by David William McKenna C/o Post Office Menzies 6436, however Lot 3 Cnr Shenton and Brown Street is Unallocated Crown Land. Notwithstanding, documentation has been provided showing that a process towards acquisition of UCL Lot 3 Brown Street and its amalgamation into adjoining Lots commenced in 2010.

However, to date lot 3 Cnr Shenton and Brown Streets Menzies remains Unallocated Crown Land.

Lots 22 and 23 Shenton Street, Lots 1 and 2 Brown Street and Lot 3 Cnr Shenton and Brown Streets are zoned "Commercial" under the Shire of Menzies Town Planning Scheme No.1 therefore the proposition satisfies the objectives of the "Commercial" Zone.

The Shire of Menzies Town Planning Scheme No.1 Table '1' Zoning Table states that a shop is a permitted use class in a "Commercial" Zone.

The Shire of Menzies Town Planning Scheme No.1 requires 1 vehicle parking bay for each 15m² of gross floor area. The area of the proposed shop is 35.52m² (7.4m x 4.8m) therefore 3

car parking bays must be provided for shop customers – those parking bays must allow direct unobstructed access to the shop and be on land under the control and ownership of the proponent. That is the parking bays need to be formally designated on Lot 3 Brown Street.

As the Hotel Kitchen is a medium class food business under the *Food Act 2008* direct access from a public area (proposed shop) is not permitted therefore the existing door between the Hotel kitchen and the proposed shop (dining room) is to be closed off.

The creation of a public access door for the General Store in the existing Hotel southern wall is to be subject of the prior issue of a Building Licence from the Shire and the work is to be designed and certified by a Structural Engineer – *Building Act 2011*.

CONSULTATION:

D.W. McKenna, Menzies Hotel

STATUTORY ENVIRONMENT:

Section 3.1 Local Government Act 1995

Shire of Menzies Town Planning Scheme No: 1

Food Act 2008

Building Act 2011

3.1. General function

- (1) *The general function of a local government is to provide for the good government of persons in its district.*

Local Government Act 1995 S3.1 – the general Function of Local Government is to provide for the good government of people in its district.

POLICY IMPLICATIONS:

Nil

FINANCIAL IMPLICATIONS:

Nil

VOTING REQUIREMENTS:

Simple Majority.

OFFICERS RECOMMENDATION – COUNCIL RESOLUTION NO: 126

MOVED Cr P.J. Twigg

SECONDED Cr C. Bennell

That:

Conceptual Planning Consent is granted to David William McKenna for a change-of-use to a portion of the Menzies Hotel – Hotel Dining Room converted to General Store.

Final Planning Approve will be considered following the:

1. submission of formal confirmation that Lot 3 Cnr Shenton Street and Brown Street Menzies is under freehold title held by the owner of the Menzies Hotel;
2. submission of a plan of the building showing the position of the proposed public access door to the General Store and the permanent closure of the interconnecting door between the Hotel Kitchen and General Store; and
3. submission of a site plan displaying the specified location of 3 dedicated customer parking bays.

Advice to the applicant:

- No building work is to commence before the issue of Final Planning Approval by Council.
- No building work is to commence until a formal Building Licence has been issued by the local government.
- Construction of the new public access door for the General Store is to be designed and certified by a Structural Engineer.
- As the Hotel Kitchen is a medium class food business under the *Food Act 2008* direct access from a public area (proposed shop) is not permitted therefore the existing door between the Hotel kitchen and the proposed shop (dining room) is to be closed off.

Carried 6/0

Mr. P. Crawford, Executive Manager of Technical Services at the Shire of Laverton enters chambers at 1.34pm.

Acting Chief Executive Officer Kim Hastie vacates chambers at 1.34pm

Deputy Chief Executive Officer C. McAllan vacates chambers at 1.34pm.

Deputy Chief Executive Officer C. McAllan returns to chambers at 2.40pm.

Mr. P. Crawford, Executive Manager of Technical Services at the Shire of Laverton vacates chambers at 2.40pm

Mr. Bret Howson, Consultant returns to chambers at 2.40pm.

Acting Chief Executive Officer, Kim Hastie returns to chambers at 2.40pm.

**Application For Planning Approval
SHIRE OF MENZIES
Town Planning Scheme No 1**

Name of Owner of land on which development is proposed:

Surname: MCKENNA
 Other Names: DAVID WILLIAM
 Address in Full: 22 SHENTON ST, MENZIES Post Code: 6426
 Telephone No.: 90242016 Fax: 90243042 Email: MENZIES HOTEL & ACTIVE.NET.AU
 Contact Person: DAVE MCKENNA
 Signature: DW MCK Date: 27/2/12
 Signature: _____ Date: _____

The signature of the landowner(s) is required on all applications. This application will not proceed without that signature.

Applicant Details:

Name: (In full) DAVID WILLIAM MCKENNA
 Address in Full: 22 SHENTON ST, MENZIES Post Code: 6426
 Telephone No.: 90242016 Fax: 90243042 Email: MENZIES HOTEL & ACTIVE.NET.AU
 Contact Person for Correspondence: DAVE MCKENNA
 Signature: DW MCK Date: 27/2/12

Property Details:

Street Name: SHENTON Suburb/Town: MENZIES
 Nearest Street Intersection: BROWN STREET
 Lot No.: 657 P. House No.: 22 Location No.: _____
 Diagram or Plan No.: _____ Certificate of Title No. 1878/575 Folio: 301310
 Title Encumbrances (e.g. easements, restrictive covenants) _____

Existing Building/Land Use:

Description of proposed development and/or use: MENZIES HOTEL
NOTE: SINCE THE CLOSURE OF THE ROAD HOUSE, WE HAVE PROVIDED A SMALL TYPE GENERAL STORE TO ASSIST THE LOCALS WITH EVERY DAY ITEMS, LOCATED BEHIND THE FRONT BAR AREA OF THE HOTEL.
RACING & GAMING ARE NOT IN FAVOUR OF THIS AREA, AS IT IS A LICENCED AREA!
HOWEVER THEY HAVE AGREED THAT I CAN

DE LICENSE THE DINING ROOM AREA FOR SHOP AREA.

ALL THE AMENITIES ARE IN PLACE KITCHEN ECT,

I NEED TO HAVE AN ENTRY (DOORWAY) BUILT INTO
THE SOUTH SIDE OF THE HOTEL TO HAVE DIRECT ACCESS
TO THE SHOP, ENABLING THE UNDER 18 TO COME & GO
WITHOUT RESTRICTION, WE ALSO WILL EXPAND THE SHOP TO CARE
FOR THE LOCAL COMMUNITY.

Nature of any existing buildings and/or use:

PM

Approximate cost of proposed development: 2000 - 3000 (APPR)

Estimated time of completion: 1 MONTH.

Building Materials:

External Walls..... 1 X DOOR.....

Roof.....

Floor.....

Total Floor Area (M²):

Office Use Only

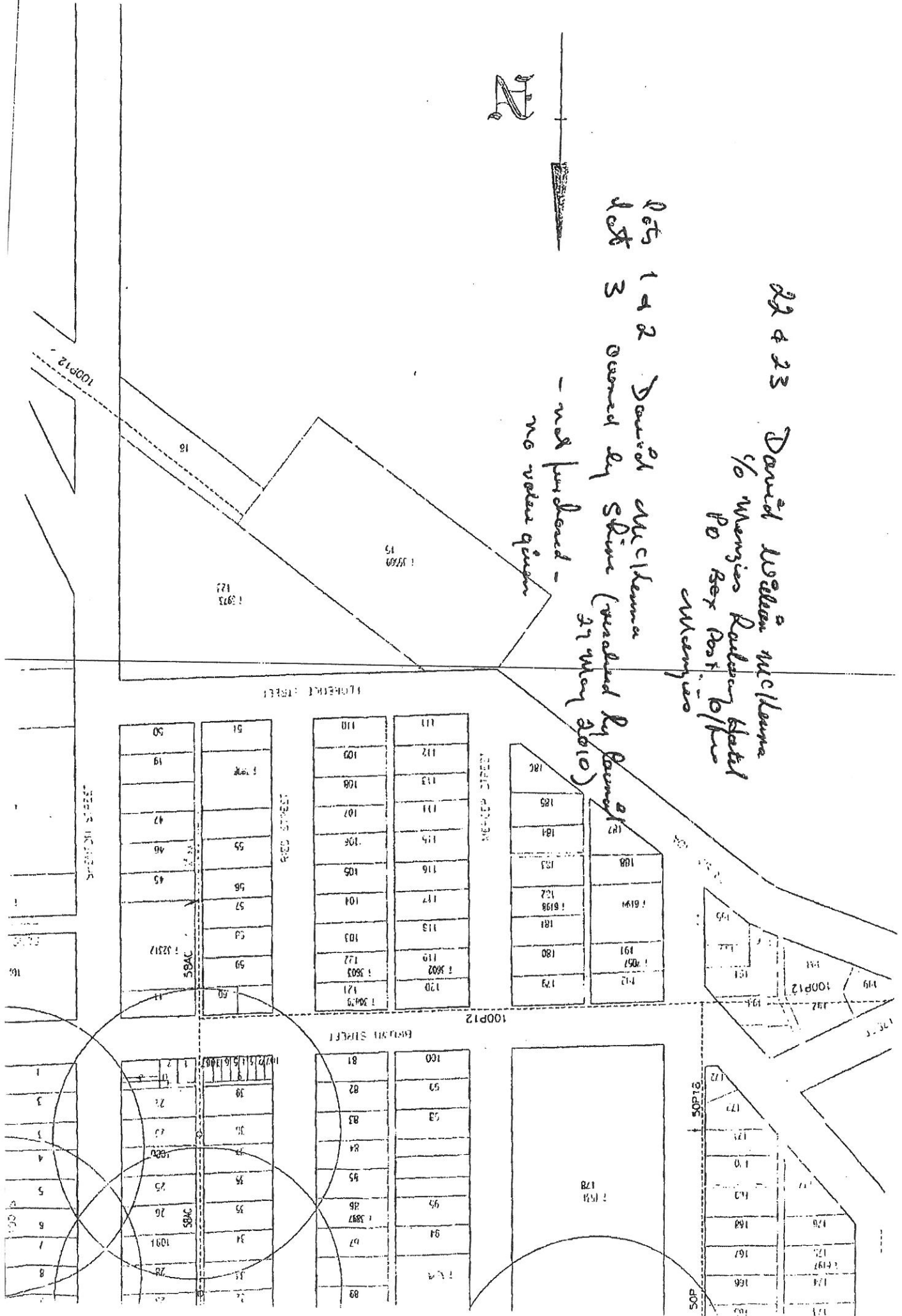
Acceptance Officer's Initials: Date Received:

Menzies Shire Reference Number:

Fees Paid: Date: Receipt No.:



22 & 23 David William McIlhenna
 1/2 Marjorie Redden Hotel
 PO Box 205
 Wickham
 25 1 & 2 David McIlhenna
 3 owned by Shire (valued by Council at 27 May 2010)
 - not burdened -
 no release given



PART 1

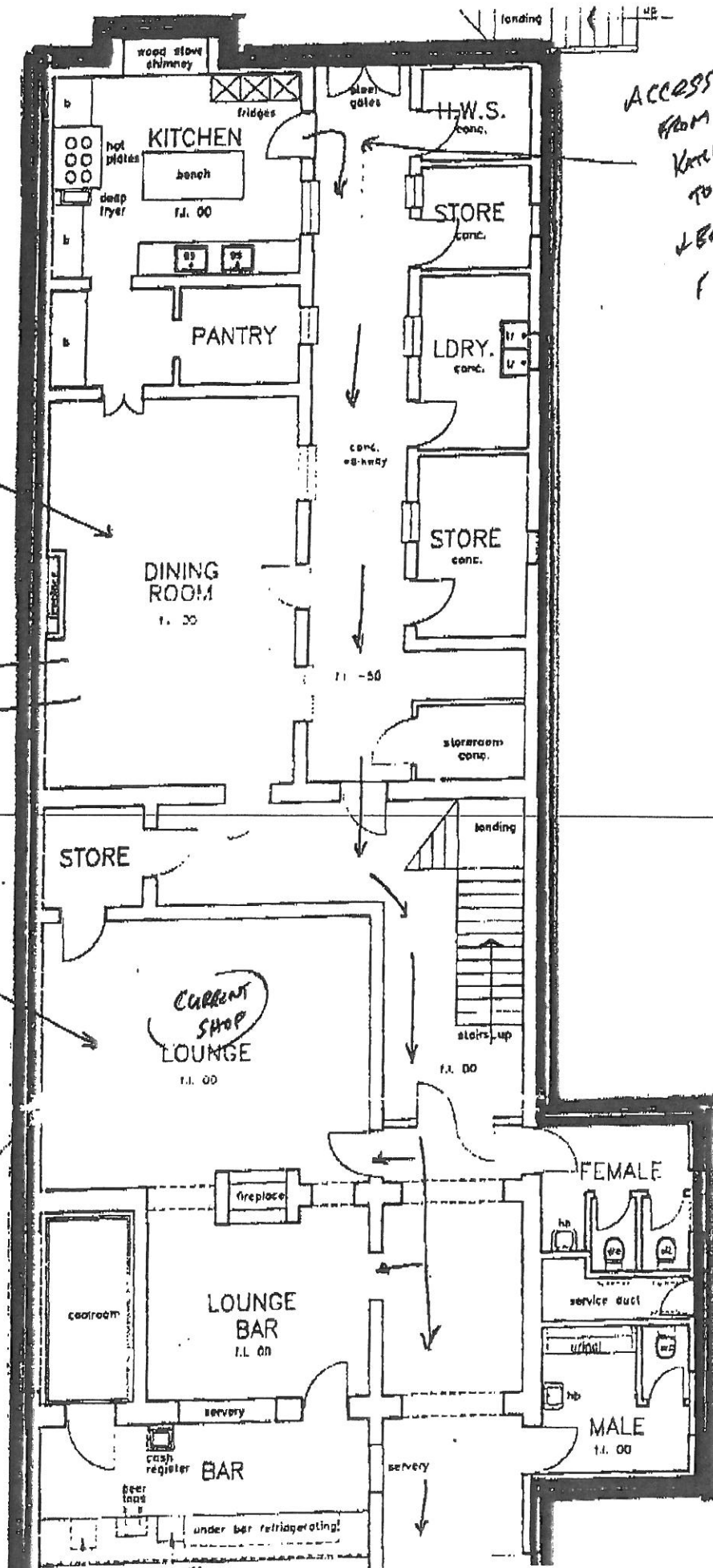
LICENCED
AREA INSIDE
Red.

DE, LICENSE
DINING ROOM

Proposed
Boat Way

CURRENT SHOP
AREA TO
BE MADE BACK
INTO LARGE AREA

ACCESS
FROM
KITCHEN
TO LOUNGE
& BAR AREA



SHENON STREET

No: 9.8 TENDER – SUPPLY OF ROAD SEALING SERVICES

SUBMISSION TO:	Ordinary Meeting of Council
LOCATION:	Shire of Menzies
APPLICANT:	
FILE REF:	
DISCLOSURE OF INTEREST:	Nil
DATE:	28 th March
AUTHOR:	Bret Howson
SIGNATURE OF AUTHOR:	
SENIOR OFFICER:	Kim Hastie, Acting Chief Executive Officer
SIGNATURE OF SENIOR OFFICER:	

SUMMARY:

This item is to recommend the award of Tender 04/11 the Supply of Road Sealing Services – Two (2) Year Panel Contract.

BACKGROUND:

This contract will be a panel type contract for a period of two (2) years, with possible extension into the third year whilst the next panel tender is being developed, advertised and awarded.

Each component of this tender will be awarded to a Primary Tenderer and a Secondary Tenderer. This means that the Primary Tenderer will be offered the works relevant to the tendered task first. If the Primary Tenderer cannot carry out the works, the task(s) will then be offered to the secondary tenderer.

If the Primary Tenderer can not be contacted by all reasonable methods and within a timeframe which does not affect the project or task, the Shire may then approach the Secondary tenderer to complete the task.

The Shire is under no obligation to use either tenderer, and may use their own plant and workforce to complete tasks. The Shire may also prepare and tender other projects for public submissions for any reason (including external funding requirement, other 3rd party requirement, statutory or government agency requirements) and are under no obligation to use the tenderers under this panel contract.

Tenderer will be selected on the basis of the most economically and efficient method of completing the task within the budget and timeframe.

The service to be carried out under this contract will be:

- engineering seal design service, and
- supply and spray of hot bitumen, and
- pre-coating of aggregate supplied by the Principal, and
- loading and spreading application of the pre-coated aggregate, and
- sweeping of excess aggregate between 1 to 4 weeks after seal, and
- supply and placement of asphalt surfacing and tack coat (if specified), and
- all services necessary to satisfactorily perform the Shire of Menzies road sealing activities.

All of the seal sections to be completed will be marked on site with road marking paint, with a line and arrow on the edge of bitumen at start of each section, then line and arrow on the edge of bitumen at the end of each section.

Should the tenderer require clarification of these sections, you should contact the Manager, Works and Services, at the Shire of Menzies, prior to commencing the works. The tenderer is expected to inspect the sites and satisfy themselves of the location of each job.

A joint inspection to ensure the tenderer has a good understanding of the works can be arranged upon request.

It is expected that the successful supplier will submit all current licenses, insurance certificates and specifications of each type of plant they will be supplying.

This is a two (2) year period panel contract and some projects will be remote in location and only items of plant will be selected if all regulatory compliances are current and the items of plant are fit for purpose at the discretion of the Site Project Manager. Worksite safety is our highest priority.

A tender for the supply of road sealing services for two (2) years was prepared and advertised in the Western Australian Newspaper on Saturday 28th January 2012.

COMMENT:

The above tender closed on 28th February 2012, and was opened by Council Officers on 2nd March 2012.

Three (3) tenders were received and all were assessed as complying with the tendering requirements. The tenders were received from:

- Total Asphalt, Kalgoorlie WA ***
- RnR Contracting P/L, Guildford WA
- Boral Resources (WA) P/L, Welshpool WA

*** Could not be contacted by phone or email as listed in the tender document to clarify submission in time for tender award recommendation.

All tenderers were assessed and considered to have complied with the following initial criteria:

- (a) Compliance with the Specification contained in the Request.
- (b) Compliance with the Conditions of Tendering this Request.
- (c) Compliance with the Quality Assurance requirement for this Request.
- (d) Compliance with and completion of the Price Schedule.

The Weighting Criteria used for assessment of each submission was as follows:

Description of Qualitative Criteria	Weighting %
A) Value for Money ii. Price;	70%
B) Relevant Experience in providing this service iii. Provide details of similar services; iv. Demonstrate competency and proven track record of achievement in this field;	20%
C) Respondent's Resources Respondents should demonstrate their ability and sustain the necessary ; iii. Plant, equipment and materials necessary to supply and provide service; iv. Any contingency measures or back up of resources including personnel (where applicable).	10%

All submissions were assessed with the maximum weighting for parts B) and C) above and therefore A) Value for Money criteria became the assessed difference between the recommended primary and secondary tenderers.

For the purpose of comparing tenders equally a scenario was created on which tenderers could base their prices. The total amount of bitumen works required per financial year was 100,000m², 10,000m² of black asphalt and 200m² on red asphalt.

Should the Council endorse the recommendation below; officers can engage these items and services as required without need to obtain other quotations. For the services which did not receive a submission, and other services required by the Council, officers will follow Part 4 (Provision of Goods and Services) of the Local Government (Functions and General) Regulations 1996 and obtain verbal and written quotations as required.

All works will still be negotiated with the primary and secondary tenderers as required and a Shire purchase order will be issued for the agreed amount. Daily dockets and timesheets will be requested from the contractor and referenced to the quotation and purchase before payment is made.

The contractors will be advised that any works done without a shire purchase order will not be paid for by the Shire.

CONSULTATION:

Consultant was conducted with the listed referees and surrounding Shire for past work performances from each tenderer.

STATUTORY ENVIRONMENT:

Legally a Local Government, as a public body, has the responsibility to follow the appropriate processes and to treat all tenderers fairly. The terms and conditions set out in this contract is the standard WALGA contract document and imply that the Shire of Menzies has acted legally and fairly to all tenderers in this case.

Section 3.57(1) of the Local Government Act 1995 requires a Local Government to invites tenders before it enters into a contract for a purchase of a prescribed kind, however Part 4 (Provision of Goods and Services) of the Local Government (Functions and General) Regulations 1996, Regulation 11 states this is only required for purchases worth more than \$100,000 unless Council have delegated otherwise.

The preparation, assessment and award of this tender complies with Part 4 (Provision of Goods and Services) of the Local Government (Functions and General) Regulations 1996 Division 2 – Tendering for Goods and Services.

POLICY IMPLICATIONS:

There are no known policy implications at the time of preparing this report.

FINANCIAL IMPLICATIONS:

The preparation and award of this panel contract will give Shire staff the ability to quantify, estimate and agree to the cost structure of a project (or task) before issuing purchase orders. It will also enable staff to build robust project estimates for next financial year's budget consideration.

VOTING REQUIREMENTS:

Absolute Majority

OFFICERS RECOMMENDATION – COUNCIL RESOLUTION NO: 127

MOVED Cr J.A. Dwyer

SECONDED Cr C. Bennell

- 2. That Council award Tender 04/11 for the Supply of Road Sealing Services - Two(2) Year Panel Contract as follows:**

PRIMARY CONTRACTOR**BORAL Resources**

Description – Bitumen Seal	GST Exclusive	GST	Total Cost
BITUMEN	Rate/m2	Rate/m2	Rate/m2
Price /m2 - litre/m2 (based on 1.8 l/ m2 at 15o)			
Including:			
a) Seal design	\$	\$	\$
b) Bitumen	2.06	0.21	2.27
Variation rate /L	\$	\$	\$
	1.12	0.11	1.23
	GST Exclusive	GST	Total Cost
APPLICATION	Rate/m2	Rate/m2	Rate/m2
Price /m2 Including:			
a) Pre-coating of aggregate			
b) Application of bitumen and aggregate			
c) Rolling;	\$	\$	\$
d) Traffic Management	2.34	0.23	2.57
	GST Exclusive	GST	Total Cost
GENERAL	Lump Sum	Lump Sum	Lump Sum
Price sweeping (1 to 4 weeks after seal) per M2	\$0.38	\$0.04	\$0.42

Description – Asphalt	GST Exclusive	GST	Total Cost
ASPHALT	Rate/m2	Rate/m2	Rate/m2
Price /m2 – 25mm BLACK mix (10mm stone) includes tack coat, preparation, traffic management.	\$	\$	\$
	31.36	3.14	34.50
Price /m2 – 15mm RED mix (7mm stone) includes tack coat, preparation, traffic management	\$	\$	\$
	83.02	8.30	91.32

SECONDARY CONTRACTOR (Bitumen seal)**RnR Contracting**

Description – Bitumen Seal	GST Exclusive	GST	Total Cost
BITUMEN	Rate/m2	Rate/m2	Rate/m2
Price /m2 - litre/m2 (based on 1.8 l/ m2 at 15o)			
Including:			
a) Seal design	\$	\$	\$
b) Bitumen	5.23	0.52	5.75
Variation rate /L	\$		\$
	1.25	\$ 0.13	1.38
	GST Exclusive	GST	Total Cost
APPLICATION	Rate/m2	Rate/m2	Rate/m2
Price /m2 Including:			
a) Pre-coating of aggregate			
b) Application of bitumen and aggregate			
c) Rolling;			
d) Traffic Management	<i>Included above</i>	<i>Included above</i>	<i>Included above</i>
	GST Exclusive	GST	Total Cost
GENERAL	Lump Sum	Lump Sum	Lump Sum
Price sweeping (1 to 4 weeks after seal) per hour	\$ 302.50	\$ 30.25	\$ 332.75

SECONDARY CONTRACTOR (Asphalt)**Total Asphalt**

Description – Asphalt	GST Exclusive	GST	Total Cost
ASPHALT	Rate/m2	Rate/m2	Rate/m2
Price /m2 – 25mm BLACK mix (10mm stone) includes tack coat, preparation, traffic management.	\$ 49.80	\$ 4.98	\$ 54.78
Price /m2 – 15mm RED mix (7mm stone) includes tack coat, preparation, traffic management.	No Submission		

Carried 6/0



REQUEST FOR TENDER

Request for Tender (RFT):	Supply of Road Sealing Services – 2 year Period Panel Contract
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Deadline:	Tuesday 28th February 2012, 2:00pm
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Address for Delivery: NOTE: Tenders must be placed in a sealed envelope clearly marked 'TEN 04/11'. Failure to clearly mark the envelope could jeopardise the confidentiality of the tender. The Shire of Menzies accepts no responsibility for submitted tenders failing to be in the Tender Box at the time and date of closing	Tender Box Shire of Menzies 124 Shenton Street (PO Box 4) Menzies WA 6436 <i>ELECTRONIC MAIL AND FACSIMILE TENDERS WILL NOT BE ACCEPTED</i>
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RFT Number:	TEN 04/11
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1 PRINCIPAL'S REQUEST

1.1 CONTRACT REQUIREMENTS IN BRIEF

As part of the Shire of Menzies 2011/12 and 2012/13 Works Programs various road projects require primersealing, 2nd coat or resealing or asphalt overlays.

The projects represent an annual amount of approximately 100,000m² of hot bitumen seal works; approximately 10,000m² black asphalt and approximately 200m² of red asphalt. However this amount may vary depending on Council works program.

This contract will be a panel type contract for a period of 2 years, with possible extension into the third year whilst the next panel tender is being developed, advertised and awarded.

A full statement of the services required under the proposed Contract appears in the Specification – Part 2 and Special Conditions of Contract – Appendix A.

1.2 REQUEST FOR TENDER DOCUMENTS

BOUND INTO THIS VOLUME:

This Request for Tender is compromised of the following parts:

- (a) Part 1 – Principal's Request (read and keep this part);
- (b) Part 2 – Specification (read and keep this part);
- (c) Part 3 – Respondent's Offer (**complete and return this part**);
- (d) Part 4 – Appendix A – Special Conditions of Contract (read and keep this part);
- (e) Part 5 – Appendix B – Formal Instrument of Agreement & General Conditions of Contract (read and keep this part);

REFERENCE DOCUMENTS:

- (a) Local Government Act 1995;
- (b) Local Government (Functions & General) Regulations 1996;
- (c) Occupational Safety & Health Act 1984 (State);
- (d) Occupational Safety & Health Regulations 1996 (State);
- (e) State Records Act 2000;
- (f) Freedom of Information Act 1992;
- (g) Public Interest Disclosure Act 2003; and
- (h) Shire of Menzies Policies

1.3 DEFINITIONS

Below is a summary of some of the important defined terms used in this Request.

Attachments:	The documents you attach as part of your Response;
Council's Contract Authority:	Means Council's Chief Executive Officer or Council's nominated representative
Contractor:	Means the person or persons, corporation or corporations whose Response is accepted by the Principal, and includes the executors or administrators, successors and assigns of such person or persons, corporation or corporations;
Deadline:	The deadline for lodgement of your Response;
General Conditions of Contract:	Means the General Conditions of Contract nominated in Part 1 and incorporated in a Contract in accordance with clause 1.10.10;

Offer:	Your offer to be selected to supply the Requirements;
Principal:	Shire of Menzies. Occasionally referred to in this document as the "Shire"
Request:	This document;
Requirements:	The work requested by the Principal;
Selection Criteria:	The criteria used by the Principal in evaluating your Response;
Special Conditions:	The additional contractual terms;
Tender:	Completed Offer form, response to Selection Criteria and Attachments;
Tenderer:	Someone who has or intends to submit an Offer to the Principal.

1.4 HOW TO PREPARE YOUR RESPONSE

- (a) Carefully read all parts of this document.
- (b) Ensure you understand the Requirements (refer section 2, Specification).
- (c) **Complete, sign and return the Offer (Part 3)** in all respects and include all Attachments.
- (d) Make sure you have signed the Offer Form and responded to all of the Selection Criteria.
- (e) Lodge your Tender before the Deadline.

1.5 CONTACT PERSONS

All communication between potential Tenderers and the Principal prior to the Deadline must be in writing.

At the sole discretion of the Principal, responses to questions may be forwarded to the questioner only, or broadcast to all potential Tenderers appearing on the Principal's records as having received the RFT. The Principal may offer the questioner an opportunity to withdraw a question before the Principal broadcasts the response.

Tenderers should not contact any other person or rely on any information provided by any person other than:

Name:	Bret Howson, Acting Manager Works and Services
Telephone:	0429 312264
E-mail:	projects@highway1.com.au

No requests for information or clarification to the Tender Documents will be accepted later than two (2) working days prior to the closing date of Tender.

1.6 EVALUATION PROCESS

This is a Request for Tender (RFT). Your Tender will be evaluated using information provided in your Tender. The following evaluation methodology will be used in respect of this Request:

- (a) Tenders are checked for completeness and compliance. Tenders that do not contain all information requested (e.g. completed Offer Form and Attachments) may be excluded from evaluation, however they will be given opportunity to supply information that may be deemed by the Principle as an error in omission.
- (b) Tenders are assessed against the Selection Criteria. Contract costs are evaluated, e.g. tendered prices and other relevant whole of life costs are considered.
- (c) The most suitable Respondents may be short listed and may also be required to clarify their Tender, make themselves available for an interview, and demonstrate the proposed services offered. Referees may also be contacted prior to the selection of the successful Tender.

A contract may then be awarded to the Tenderer whose Tender is considered the most advantageous Tender to the Principal.

1.7 SELECTION CRITERIA

The Contract may be awarded to a tenderer or tenderers who best demonstrate the ability to provide quality products and/or services at a competitive price. The tendered prices will be assessed together with the qualitative and compliance criteria to determine the most advantageous outcome to the Principal.

This tender will be awarded to a Primary Tenderer and a Secondary Tenderer. This means that the Primary tenderer will be offer the relevant works first. If the Primary tenderer cannot carry out the works, the task(s) will then be offered to the secondary tenderer.

If the Primary tenderer can not the contacted by all reasonable methods, the Shire may then approach the Secondary tenderer to complete the task.

The Principal has adopted a best value for money approach to this request.

This means that, although price is considered, the response containing the lowest price will not necessarily be accepted, nor will the offer ranked the highest on the qualitative criteria.

A scoring system will be used as part of the assessment of the qualitative criteria. Unless otherwise stated, a Tender that provides all the information requested will be assessed as satisfactory. The extent to which a Tender demonstrates greater satisfaction of each of these criteria will result in a greater score. The aggregate score of each Tender will be used as one of the factors in the final assessment of the qualitative criteria and in the overall assessment of value for money.

1.7.1 Compliance Criteria

These criteria are detailed within Part 3 of this document and will not be point scored. Each response will be assessed on a Yes/No basis as to whether the criterion is satisfactorily met. An assessment of "No" against any criterion may eliminate the Tender from consideration.

1.7.2 Qualitative Criteria

In determining the most advantageous tender, the Evaluation Panel will score each tender response against the qualitative criteria as detailed within Part 3 of this document. Each criterion will be weighted to indicate the relative degree of importance that the Principal places on the technical aspects of the goods or services being purchased.

NOTE: It is essential that Tenderers address each qualitative criterion. Information that you provide addressing each qualitative criterion will be point scored by the Evaluation Panel.

Failure to provide the specified information may result in elimination from the evaluation process or a low score.

1.7.3 Price Considerations

The Council has resolved to consider tender submissions by qualitative criteria as outlined in Clause 3.3.2 of this document, therefore the price is assessed with quality.

1.8 PRICE BASIS

FIXED PRICES

All prices for goods/services offered under this Request are to be fixed for one calendar year from the date of award. Each successful tenderer may request a price adjustment in the last month of the

contract year. Any request for price adjustment will need to have supporting documentation to justify any increase. Any increase granted shall apply for the next contracted calendar year. Unless otherwise indicated prices tendered must include delivery, unloading, packing, marking and all applicable levies, duties, taxes and charges. Any charge not stated in the Tender, as being additional will not be allowed as a charge for any transaction under any resultant Contract.

1.9 CONDITIONS OF TENDERING

1.9.1 Lodgement of Tender and Delivery Method

The Tender must be lodged by the Deadline. **The Deadline for this Request is 2.00pm Tuesday 28th February 2012.**

The Tender is to be:

- (a) placed in a sealed envelope clearly endorsed with the Tender number and title as shown on the front cover of this Request; and
- (b) delivered by hand and placed in the Tender Box at the Shire Administration Office, 124 Shenton Street, Menzies WA 6436 (by the Tenderer or the Tenderer's private agent) or sent through the mail to the Chief Executive Officer, Shire of Menzies, PO Box 4, Menzies WA 6436.

Electronic mail Responses and Responses submitted by facsimile **will not** be accepted.

Tenders must ensure that they have provided **ONE (1) signed copy** of their Tender to be marked "ORIGINAL" and bound. Any brochures or pamphlets must be attached to the original.

The original must be bound. All pages must be numbered consecutively and the Tender must include an index.

1.9.2 Rejection of Tenders

A Tender will be rejected without consideration of its merits in the event that it is not submitted at the time and at the place specified in the Request

A Tender may be rejected without consideration of its merits in the event that

- (a) The Tenderer does not submit an Offer form which has been completed and signed together with all the required Attachments; or
- (b) The Tender fails to comply with any other requirements of the Request.

1.9.3 Late Tenders

Tenders received:

- (a) after the Deadline; or
- (b) in a place other than stipulated in this Request;

will not be accepted for evaluation.

1.9.4 Acceptance of Tenders

Unless otherwise stated in this Request, Tenders will be for the full requirement and the Principal will not accept tenders offering part services. The Principal is not bound to accept the lowest Tender and may reject any or all Tenders submitted.

1.9.5 Disclosure of Contract Information and Documents

Documents and other information relevant to the contract may be disclosed when required by law under the *Freedom of Information Act 1992* or under a Court order.

1.9.6 Alternative Tenders

All Alternative Tenders **MUST** be accompanied by a conforming Tender.

Tenders may be submitted as Alternative Tender or made subject to conditions other than the General and Special Conditions of Contract must in all cases arising be clearly marked "**ALTERNATIVE TENDER**".

The Principal may in its absolute discretion reject any such Alternative Tender as invalid.

If the Tender is marked as an Alternative Tender, any printed "General Conditions of Contract" shown on the reverse of a Tenderer's letter or quotation form will not be binding on the Principal in the event of a Contract being awarded unless the Tender is marked as an Alternative Tender.

1.9.7 Tender Validity Period

All Tenders will remain valid and open for acceptance for a minimum period of ninety (90) days from the Deadline or forty-five (45) days from the Council's resolution for determining the Tender, whichever is the later unless extended on mutual agreement between the Principal and the Tenderer in writing.

1.9.8 Registration or Licensing of Contractors

Where an act of ordinance of the State of Western Australia requires that a Contractor (as defined by the act or ordinance be registered or licensed to carry out the work described in the Request documents, the Tenderer must state on the Tender Form in the space provided, its registration or license number.

The Tender **will not** be considered if the Tenderer fails to provide such registration or license number.

1.9.9 General Conditions of Contract

Responses will be deemed to have been made on the basis of and to incorporate the General Conditions of Contract for the Provision of Services (**refer to Appendix B**).

1.9.10 Precedence of Documents

In the event of there being any conflict or inconsistency between the terms and conditions herein and those in the General Conditions of Contract the terms and conditions appearing in this Request will have precedence.

1.9.11 Presentation of Documents

This document has been collated by mechanical means and Tenderers should check to ensure that it includes all pages, which are numbered consecutively, and that all supplements referred to are also included

Supplements that have been referred to in any section of the Specification are included at the back of this document and must be read in accordance to the section which they refer.

1.9.12 Tenderers to Inform Themselves

Tenderers will be deemed to have:

- (a) examined the Request and any other information available in writing to Tenderers for the purpose of tendering;

- (b) examined all further information relevant to the risks; contingencies, and other circumstances having an effect on their Tender which is obtainable by the making of reasonable enquires;
- (c) satisfied themselves as to the correctness and sufficiency of their Tender including tendered prices which will be deemed to cover the cost of complying with all the Conditions of Tendering and of all matters and things necessary for the due and proper performance and completion of the work described therein;
- (d) acknowledged that the Principal may enter into negotiations with a chosen Tenderer and that negotiations are to be carried out in good faith; and
- (e) satisfied themselves they have a full set of the Request documents and all relevant Attachments.

1.9.13 *Disclaimer*

The contents of this Request for Tender (RFT) are believed to be accurate at the date of this RFT. The statements, opinions, projections, forecasts or other information contained in this RFT may change.

1.9.14 *Goods & Services Tax (GST)*

Tendered prices must include Goods & Services Tax (GST).

For the purpose of this clause:

"GST" means goods and services tax applicable to any taxable supplies as determined under the GST Act.

"GST Act" means A New Tax System (Goods and Services Tax) Act 1999 and (where the context permits) includes the Regulations and the Commissioner of Taxation's Goods and Services Tax Rulings and Determinations made thereunder and any other written law dealing with GST applying for the time being in the state of Western Australia.

"Supply" and "taxable supply" have the same meanings as in the GST Act.

Where the requirement the subject of this Request or any part thereof is a taxable supply under the GST Act, the price fee or rates tendered by the Responder must be inclusive of all applicable GST at the rate in force for the time being.

In evaluating the Tenders, the Principal must be entitled to (though not obliged) to take into account the effect of the GST upon each Tender.

1.9.15 *Alterations*

The Tenderer must not alter or add to the Request documents unless required by these Conditions of Tendering.

The Principal will issue an addendum to all registered Tenderers where matters of significance make it necessary to amend the issued Request documents before the Deadline.

1.9.16 *Risk Assessment*

The Principal may have access to and give consideration to:

Any risk assessment undertaken by Dun and Bradstreet; or any other credit rating agency; and any information produced by the Bank, financial institution, or accountant of a Tenderer;

So as to assess that Tender and may consider such materials as tools in the Tender assessment process.

1.9.17 Ownership of Tenders

All documents, materials, articles and information submitted by the Tenderer as part of or in support of a Tender will become upon submission the absolute property of the Principal and will not be returned to the Tenderer at the conclusion of the Tender process PROVIDED that the Tenderer is entitled to retain copyright and other intellectual property rights therein, unless otherwise provided by the Contract.

1.9.18 Canvassing of Elected Members or Officers

If a Tenderer, whether personally or by an agent, canvasses any of the Principal's Commissioners or Councillors (as the case may be), or Officers with a view to influencing the acceptance of any Tender made to it or any other Tenderer, then regardless of such canvassing having any influence on the acceptance of such Tender, the Principal will omit the Tenderer from consideration.

1.9.19 Identity of the Tenderer

The identity of the Respondent and the Contractor is fundamental to the Principal.

The Respondent is the person, persons, corporation or corporations named as the Tenderer in Part 3 and whose execution appears on the Offer Form in Part 3 of this Request. Upon acceptance of the Tender, the Tenderer will become the Contractor.

1.9.20 Tender Opening

Tenders will be opened in the Principal's offices, following the advertised Deadline.

The names of the persons who submitted a Tender by the Deadline will be read out at the tender opening. No discussions will be entered into between Tenderers' and the Principal's officers present or otherwise, concerning the Tenders submitted.

The Tender opening will be held at 2.15pm (AWST) on Tuesday 28th February 2012 at the Shire of Menzies Administration Office, 124 Shenton Street, Menzies WA 6436.

NOTE:

The tendered prices **will not** be disclosed at the opening of this Tender.

1.9.21 In-house Tenders

The Principal **does not** intend to submit an in-house Tender.

2 SPECIFICATION

2.1 INTRODUCTION

It is expected that the contractor will be able to commence no later than 1st April 2012 and be available for the full 2 year period as needed.

This contract will be a panel type contract for a period of 2 years, with possible extension into the third year whilst the next panel tender is being developed, advertised and awarded.

This tender will be awarded to a Primary Tenderer and a Secondary Tenderer. This means that the Primary tenderer will be offer the relevant works first. If the Primary tenderer cannot carry out the works, the task(s) will then be offered to the secondary tenderer.

If the Primary tenderer can not be contacted by all reasonable methods, the Shire may then approach the Secondary tenderer to complete the task.

Issuing specific works to the Primary or Secondary Tenderer will solely be at the discretion of the Shire of Menzies, and no alterations to contract or prices will be made.

The service to be carried out under this contract will be:

- engineering seal design service, and
- supply and spray of hot bitumen, and
- pre-coating of aggregate supplied by the Principal, and
- loading and spreading application of the pre-coated aggregate, and
- sweeping of excess aggregate between 1 to 4 weeks after seal, and
- supply and placement of asphalt surfacing and tack coat (if specified), and
- all services necessary to satisfactorily perform the Shire of Menzies road sealing activities.

All of the seal sections to be completed will be marked on site with road marking paint, with a line and arrow on the edge of bitumen at start of each section, then line and arrow on the edge of bitumen at the end of each section.

Should the tenderer require clarification of these sections, you should contact the Manager, Works and Services, at the Shire of Menzies, prior to commencing the works. The tenderer is expected to inspect the sites and satisfy themselves of the location of each job.

A joint inspection to ensure the tenderer has a good understanding of the works can be arranged upon request.

It is expected that the successful supplier will submit all current licenses, insurance certificates and specifications of each type of plant they will be supplying.

It should be clearly understood that this is a 2 year period panel contract and some projects will be remote in location and only items of plant will be selected if all regulatory compliances are current and the items of plant are fit for purpose at the discretion of the Site Project Manager. Worksite safety is our highest priority.

2.3 SCHEDULE OF RATES

The Schedule of Rates (Appendix A) is directly related to the works associated with the Shire of Menzies 2011/2012 and 2012/13 Annual Road Reseal and Asphalt Seal Program.

For tender assessment purposes of the bitumen seal the Principal has nominated a bitumen spray rate **(1.8 litres m²) Hot Bitumen @ 15deg unless otherwise stated.**

PART 1**COMPLETE AND RETURN THIS PART**

The tenderer shall supply a price rate as detailed in the Schedule of Rates (Appendix A). The successful contractor will then supply an engineering reseal design schedule to the Principal for approval, and any adjusted rate shall be calculated by using the variation rate as specified in the Schedule of Rates.

The contractor shall supply written notification of the seal design and the approximate quantity of bitumen and asphalt it will require to complete the works. The contracted price will be adjusted in relation to the quantity required and the tendered prices in the Schedule of Rates.

2.4 PRODUCT SPECIFICATION - BITUMEN

Bitumen shall be Class 170 conforming to AS2008 with adhesion agent of 0.5% by volume and 2% flux (heavy oil such as furnace oil). Medium curing cutter shall be added depending on the road temperature anticipated during rolling.

2.4.1 BITUMEN APPLICATION RATE

The tender shall carry out a seal application design that includes visiting each site and supplying the design to the Principal for approval prior to commencing works. The design shall include the bitumen application spray rate (l/m²), the bitumen specification, and the aggregate application rate (m²/t).

Spray runs shall start and finish on tar-paper that shall be provided by the contractor. Disposal of papers shall be the responsibility of the contractor. Spraying equipment shall not be permitted to stand on any pavement areas.

Kerbing shall be protected from bitumen splashes by using splashboards on the end of the spray bar.

2.4.2 AGGREGATE PRECOATING

The aggregate supplied by the Principal is to be pre-coated using Supa-precoat 35 or approved equivalent. Approval shall be in writing by the Principal. Pre-coating shall be carried out at least 24 hours before use. Pre-coat application shall be approximately 5L/m³ if stockpiled beforehand, or 3L/m³ if pre-coated within 24 hours of spreading the pre-coated aggregate. Pre-coating shall be carried out using a double-decked screening plant.

2.4.3 AGGREGATE SPREADING

Pre-coated aggregate shall be loaded at the dump site, carted to the job, and spread. The spread rate shall be as specified in the approved seal design.

Aggregate spreading shall commence as soon as practical after the spray run starts.

2.4.4 ROAD CONDITION

The road surface shall be clean and dry; it shall be swept to remove any dust or loose aggregate immediately before spraying. The minimum road temperature shall be 30°C at spraying and likely to stay above 26°C until rolling is completed. Spraying shall not commence if rain is likely before rolling is completed.

2.4.5 ROLLING

Rolling using multi-tyred roller of minimum of 12 tonnes will commence immediately behind the spreading trucks and rolling shall continue until all aggregate is firmly bedded into the bitumen layer. It will be suggested to allow at least 5 passes of the roller before moving to next section. Final spray runs shall be completed early enough to allow for finishing rolling the same day.

2.5 SPRAY RECORDS

The contractor shall record for each spray run the following:

- Specified cold bitumen application rate
- Road temperature
- Bitumen temperature
- Spray width and length
- Tank dip at the start and end of each spray run
- Actual hot application rate
- Actual cold application rate

2.6 PRODUCT SPECIFICATION - ASPHALT

Asphalt Reseal shall be provided and designed, based on a nominally 15mm thick (7mm stone) layer for mid-block street sections and 25mm thick (10mm stone) for intersections. Typically, existing road sections comprise an existing 7mm Aggregate bitumen seal in good condition. Some surfaces may require minor surface correction. Should the rate of corrector alter from the main rate, the tenderer shall nominate it.

A tack coat matched to the asphalt design shall be applied to the prepared surface prior to placement of the asphalt reseal. **Note: See Appendix A - Schedule of Rates**

2.7 GENERAL

Provision shall be made to minimise delays and inconvenience to road users and adequate provision made for the safety of road users during the course of the work.

After hot bitumen sealing 'Loose Stones' signs (symbolic T3-9A or T3-9B) shall be placed at both ends of the job, and left in place until the road has been swept. The road shall be swept between 1 to 4 weeks after sealing. Sweepings on kerbed roads shall be picked up and disposed of by the contractor. Sweepings on un-kerbed roads may be swept off the shoulder and into side drains, but shall not be left as small windrows on the shoulder.

2.8 PRODUCT STANDARD

The product will be to a standard commensurate with all relevant specifications and standards currently in place in Western Australia. At the request of the Superintendent the contractor will supply appropriate test results to confirm and verify the product standard in accordance with those specifications.

2.9 NON – CONFORMANCE

2.9.1 NON-CONFORMANCE OF MATERIAL

Conformance of the material at the source of supply shall be construed only as authorizing the Contractor to deliver the material.

Material which has been delivered but does not conform to the Specification shall be removed from the site by the Contractor immediately after notification of non-conformance. Failure by the Contractor to remove the non-conforming material shall permit the Principal to make alternative arrangements for its removal and to recover all costs incurred by these alternative arrangements from the Contractor.

The Contractor will not be paid for the non-conforming material or its cartage. Contamination of the material during cartage shall render the material as non-conforming.

Should the reseal show signs of in excess of 20% surface failure (aggregate stripping or bleeding) within 18 months of this contract, the contractor shall be called to site for a review of the application and seal design. Should the design or application be at fault the Contractor shall carry out any remedial works.

2.9.2 NON-CONFORMANCE OF PLANT, EQUIPMENT AND STAFF

Should the plant, equipment or staff be deemed non-conforming the Principal reserves the right to reject the supply until such time as the non-conforming aspects are rectified. The Principal also reserves the right to recover all costs involved in this rejection, including those incurred by other Contractors, and the Principal itself, unless it can be proved that the non-conformance resulted through the actions of the Superintendent or his representatives.

The Contractor shall do everything necessary to ensure that plant and equipment are delivered to site in good working order so that the possibility of breakdowns are minimised. Should the Contractor knowingly supply plant or equipment, which is sub-standard, unsuitable for the specified task or faulty the Principal may reject the plant or equipment as above.

All staff used by the Contractor for the completion of the works under this contract shall be competent and fully trained in all aspects of the operation of the plant and equipment. Should it be apparent that the operator(s) of the plant or equipment are not competent, the Principal may call for a replacement operator or reject the operator as above.

2.10 PERFORMANCE

The Contractor shall perform the works under this contract in an expert, efficient and courteous manner. The Contractor at all times refer any comments or discrepancies to the Superintendent or his representative for resolution. The Contractor is expected to carry out the requirements of this contract with a high degree of personal and public safety at all times.

The Superintendent on the basis of the following shall assess the Contractor's performance under this contract:

- Contractor and their Staff conduct themselves in a safe, professional manner
- The supply delivery and application services provided in a timely and efficient manner.
- Product conforms to all relevant standards and specifications
- Product and service meets the needs and requirements of the Principal
- Minimal re-works (i.e. non-conforming material, cleaning or damage of worksites, etc.)

2.11 TRAFFIC MANAGEMENT

The Contractor shall be responsible for all necessary traffic signage and management associated with the works and shall comply with the requirements of AS1742 and the Main Roads of Western Australia, Traffic Management for Works on Roads, Code of Practice (2008)

The successful contractor shall supply a suitable traffic management plan to the Principal prior to commencing works.

2.12 APPLICABLE SPECIFICATIONS

All material and workmanship supplied under this contract shall conform with the following specifications:

MRWA Aggregate Specification 7700/13/01

MRWA Bitumen Specification 7700/13/03

MRWA Sprayed Bitumen Surfacing Specification 7700/13/28

MRWA Asphalt Surfacing 504

IMEA (WA) Subdivision Development Guidelines Section 5 – Materials Specifications

ASWater and Volatile Oils Content AS 2891.10

AS Degree of Particle Coating AS 2891.11

ASHot Mix Asphalt AS 2150

ASResidual Bitumen for Pavements AS 2008

ASAsphalt Paving – Guide to Good Practice AS 2374

2.2 THE CLIENT

The client is the Shire of Menzies and the Manager Works and Services will be the direct contact for the duration of this contract, along with Chief Executive Officer with whom it will be necessary to consult on a regular basis.

2.3 SITE DETAILS

All works to be carried out under the contract will be within the Shire of Menzies. The tenderers should make themselves aware of the entire shire area, and submit only services and equipment that are able to safely service the entire shire.

2.4 CLIENT APPROVALS

The successful tenderer must obtain the approval of the Manager Works and Service or Chief Executive Officer (by way of obtaining a Shire of Menzies purchase order) prior to commencing any works. Failure to obtain a valid purchase order may result in not being paid for such works.

2.5 SHIRE PROJECT MANAGEMENT / CONTACT

The Acting Manager Works and Services is Mr Bret Howson. Primary contact for the contract on a day to day basis will be through Mr Bret Howson

Telephone: 0429 312264,

Facsimile: (08) 9731 2263, or

Email: projects@highway1.com.au

2.6 SHIRE OF MENZIES RESOURCES

The Shire of Menzies will be responsible for the following information pertaining to the project area:

- State Government agencies approval
- Funding
- Contractor Induction
- Strategic documents
- All Relevant Council Policies

3 TENDERER'S OFFER

3.1 OFFER FORM

The Chief Executive Officer
Shire of Menzies
124 Shenton Street
(PO Box 4)
Menzies WA 6436

I/We _____

(COMPANY NAME - BLOCK LETTERS)

of _____

(ADDRESS)

ABN/GST Status _____ ACN (if any) _____

Telephone No: _____ Facsimile No: _____

E-mail (if any): _____

In response to:

Tender for Road Sealing Services – 2 year Period Panel Contract

I/We agree that I am/We are bound by, and will comply with this Request and its associated schedules, Attachments, all in accordance with the Conditions of Responding contained in this Request signed and completed.

The tendered price is valid up to ninety (90) days from the date of the Request closing unless extended on mutual agreement between the Principal and the Respondent in writing.

I/We agree that there shall be no cost payable by the Principal towards the preparation or submission of this Response irrespective of its outcome.

The tendered consideration is as provided under the schedule of rates of prices in the prescribed format and submitted with this Response.

Dated this _____ day of _____ 2012

Signature of authorised signatory of Respondent: _____

Name of authorised signatory (BLOCK LETTERS): _____

Position: _____

Address: _____

Witness Signature: _____

Name of witness: (BLOCK LETTERS): _____

Address: _____

3.2 TENDERER'S RESPONSE

The following checklist has been provided to assist you with your submission. Where it is necessary to provide additional information please ensure that all documents are clearly marked with the relevant Attachment title to assist the evaluation panel with their assessment.

(NOTE: All pages within Part 3 are to be completed and returned to the Principal as they form part of your Response).

3.2.1 Organisation Profile

If companies are involved, attach their current ASC company extracts search including latest annual return and label it "ASC Company Extracts" .	"ASC Company Extracts"	Tick if attached <input type="checkbox"/>
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3.2.2 Referees

Attach details of your referees, and label it "Referees" . You should give examples of services provided for your referees (at least three)-	"Referees"	Tick if attached <input type="checkbox"/>
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3.2.3 Subcontractors

Do you intend to subcontract any of the Requirements?	Yes / No	
If Yes, in an attachment labelled "Subcontractors" provide details of the subcontractor(s) including:	"Subcontractors"	Tick if attached <input type="checkbox"/>
(a) the name, address and the number of people employed; and		
(b) the Requirements that will be subcontracted.		

3.2.4 Conflicts of Interest

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?	Yes / No	
If Yes, please supply in an attachment details of any actual or potential conflict of interest and the way in which any conflict will be dealt with and label it "Conflicts of Interest" .	"Conflicts of Interest"	Tick if attached <input type="checkbox"/>

3.2.5 Financial Position

Are you presently able to pay all your debts in full as and when they fall due?	Yes / No
Are you currently engaged in litigation as a result of which you may be liable for \$50,000 or more?	Yes / No
If you are awarded the Contract, will you be able to fulfil the Requirements from your own resources or from resources readily available to you and remain able to pay all of your debts in full as and when they fall due?	Yes / No

3.2.6 Quality Assurance

The Quality Assurance requirement for this tender is: formal Quality Assurance <i>accreditation</i> . Does your organisation have any quality assurance or quality assurance systems?	Yes / No	
If you propose to subcontract, does your subcontractor have a "third party" quality management system in place?	Yes / No	
Supply evidence or details of your quality assurance position and where relevant of your supplier's or subcontractor's position, in an attachment labelled "Quality Assurance".	"Quality Assurance"	Tick if attached <input type="checkbox"/>

3.2.7 Insurance Coverage

The insurance requirements for this Request are stipulated in the Special Conditions. Respondents are to supply evidence of their insurance coverage in a format as outlined below or in an attachment labelled " Insurance Coverage ". A copy of the Certificate of Currency is to be provided to the Principal within Five (5) working days of acceptance.			"Insurance Coverage"	Tick if attached <input type="checkbox"/>
Type	Insurer – Broker	Policy Number	Value (\$)	Expiry Date
Public Liability				
Professional Indemnity				

3.3 SELECTION CRITERIA**3.3.1 Compliance Criteria**

Please select with a yes or no whether you have complied with the following compliance criteria:

Description of Compliance Criteria		
(a)	Compliance with the Specification contained in the Request.	Yes / No
(b)	Compliance with the Conditions of Tendering this Request.	Yes / No
(c)	Compliance with the Quality Assurance requirement for this Request.	Yes / No
(d)	Compliance with and completion of the Price Schedule.	Yes / No

3.3.2 Qualitative Criteria

Before responding to the following qualitative criteria, Respondents must note the following:

- all information relevant to your answers are to be contained within your response to each criterion;
- Tenderers are to assume that the Evaluation Panel has no previous knowledge of your organisation, its activities or experience;
- Tenderers are to provide full details for any claims, statements or examples used to address the qualitative criteria; and
- Tenderers are to address each issue outlined within a qualitative criterion.

Description of Qualitative Criteria	Weighting
	%
A) Value for Money i. Price;	70%
B) Relevant Experience in providing this service i. Provide details of similar services; ii. Demonstrate competency and proven track record of achievement in this field;	20%
C) Respondent's Resources Respondents should demonstrate their ability and sustain the necessary ; i. Plant, equipment and materials necessary to supply and provide service; ii. Any contingency measures or back up of resources including personnel (where applicable).	10%

3.4 PRICE INFORMATION

Tenderers **must** complete the following "Price Schedule". Before completing the Price Schedule, Tenderers should ensure they have read this entire Request for Tender.

3.4.1 Electronic Funds Transfer

Do you have the facility for payments by EFT?	Yes / No

3.4.2 Price ScheduleCONTRACT NO: TEN 04/11DESCRIPTION: **Tender for Road Sealing Services - 2 year Period Panel Contract**CONTRACTOR:

Tenders are to fill in the appropriate details

Description – Bitumen Seal	GST Exclusive	GST Component	Total Cost
BITUMEN	Rate/m ²	Rate/m ²	Rate/m ²
Price /m ² - litre/m ² (based on 1.8 l/ m ² at 15°)			
Including:			
a) Seal design	\$	\$	\$
b) Bitumen			
Variation rate /L	\$	\$	\$
	GST Exclusive	GST Component	Total Cost
APPLICATION	Rate/m ²	Rate/m ²	Rate/m ²
Price /m ² Including:			
a) Pre-coating of aggregate			
b) Application of bitumen and aggregate	\$	\$	\$
c) Rolling;			
d) Traffic Management			
	GST Exclusive	GST Component	Total Cost
GENERAL	Lump Sum	Lump Sum	Lump Sum
Price sweeping (1 to 4 weeks after seal)	\$	\$	\$

PART 1**COMPLETE AND RETURN THIS PART**

Tenders are to fill in the appropriate details

Description – Asphalt	GST Exclusive	GST Component	Total Cost
ASPHALT	<i>Rate/m²</i>	<i>Rate/m²</i>	<i>Rate/m²</i>
Price /m ² – 25mm BLACK mix (10mm stone) includes tack coat, preparation, traffic management.	\$	\$	\$
Price /m ² – 15mm RED mix (7mm stone) includes tack coat, preparation, traffic management.	\$	\$	\$

Company Name _____

(Signature of Quoter) _____

(Title) _____

(Ph Number) _____

(Fax No) _____

(Signature of Witness) _____

Respondent may include additional information and prices at this section.

4 APPENDIX A – SPECIAL CONDITIONS OF CONTRACT

4.1 PERIOD OF CONTRACT AND TERMINATION

SUPPLY CONTRACT

The Contract is to be completed on supply of the Requirements.

4.2 INSURANCES

The Contractor and its subcontractor(s) (if any) will be required to effect and maintain the insurance policies referred to in the General Conditions of Contract in the following sums:

- (a) Public liability insurance in the sum of at least \$1,000,000 (one million) in respect of any one occurrence and for an unlimited number of claims.
- (b) Workers Compensation or Personal Accident Insurance cover as required by law (whichever may apply).
- (c) Professional indemnity insurance in the sum of at least \$1, 000,000 (one million) in respect of any one occurrence and for an unlimited number of claims.

4.3 FEE FOR SERVICE

The Contract is on the basis of a fee for services provided. Should the project at any point and for any reason not proceed to completion, then payment will be on the basis of the works/services provided and agreed at the point the project ceases and the contract will be terminated.

It is understood that all material associated with any task purchased by the contractor, will be paid for by the Shire on the receipt of itemised purchase invoice.

4.4 PAYMENT TERMS

For the fee, payment will be in the form of progress claims based on monthly invoices or at the end of the task undertaken.

Payment for work performed shall be made at the applicable tendered rate. Council reserves the right to make deductions for any failure on behalf of the Contractor to execute the works in accordance with this specification.

The rates and prices entered shall include fully for all the obligations of the Tenderer under the Contract.

The Council shall pay each invoice on net thirty days of the date of receipt of the invoice, provided and to the extent that nothing in the invoice is in dispute.

4.5 ELECTRONIC FUNDS TRANSFER (EFT)

The Principal shall pay the Contractor by Electronic Funds Transfer (EFT) and the Contractor shall provide all the necessary information required to facilitate EFT payment processing. The Principal guarantees the confidentiality and security of all such information provided by the Contractor.

4.6 CONTRACTOR RECORD KEEPING OBLIGATIONS

The Contractor shall maintain and submit records in accordance with the State Records Act 2000 and Clause 4, Conditions of Contract for Services.

4.7 CONFIDENTIALITY, OWNERSHIP & USE OF INFORMATION

Confidentiality, ownership and use of information generated by the Consultancy shall be in accordance with the Conditions of Contract.

All material and information acquired (including any photographic documentation) during the course of the project will become the exclusive property of the Shire of Menzies. All copyright created, as a result of the project shall vest in the Shire of Menzies.

4.8 NATIONAL STANDARD FOR CONSTRUCTION WORK – OCCUPATIONAL SAFETY & HEALTH REGULATIONS 1996

Where there are 5 or more workers working at a worksite this is deemed to be a Construction Worksite and the contractor will be required to provide a Safe Work Plan as per the National Standard for Construction Work.

4.9 DISPUTE RESOLUTION

In the first instance, Project Manager or the Executive Management will negotiate a dispute resolution in good faith before implementing the following dispute resolution process.

- (a) Any question dispute or difference of any kind arising out of or in connection with the Contract must be resolved in accordance with this Clause.
- (b) A Project Manager or the Executive Management of each of the parties must meet within 10 Business Days after the date when one party serves on the other a Notice and in good faith, attempt to resolve the Dispute.
- (c) If within 10 Business Days of the first meeting under, the Dispute is not resolved, the Principal or the Principal's delegate and the contractor, or the contractor's delegate must meet within 5 Business Days of the expiry of the 10 Business Days and, in good faith, attempt to resolve the Dispute.
- (d) If the Dispute is not resolved within 20 Business Days of the first meeting, or such further time as may be agreed, the parties must refer the Dispute to conciliation by an accredited conciliator agreed by the parties, or failing agreement on the conciliator and terms of appointment within a further 5 Business Days, an accredited conciliator appointed by the Chairperson of the Western Australia Chapter of the Institute of Arbitrators and Mediators Australia. The terms of the appointment must be in accordance with the Institute of Arbitrators and Mediators Australia Conciliation Rules. The location of the conciliation shall be Perth, Western Australia or other location determined by the Principal.
- (e) The reference to conciliation will commence when either party gives notice to the other requiring resolution of the Dispute.
- (f) The parties agree to participate in the conciliation in good faith. Any information or document obtained through or as part of the reference to conciliation is confidential and may not be used for any purpose other than the settlement of the Dispute.
- (g) The parties will share equally the conciliator's fees for any conciliation.
- (h) If the Dispute is not resolved within 15 Business Days of the commencement of the reference to conciliation, either party may then, but not earlier, commence proceedings in any court of competent jurisdiction.

- (i) Unless the Parties agree otherwise in writing, the Chairperson of the Western Australia Chapter of the Institute of Arbitrators and Mediators Australia is appointed as the Prescribed Appointor for all disputes.
- (j) Subject to circumstances beyond the control of the parties permitting, each party must continue to perform the Contract even though a Dispute exists or proceedings have been commenced.

4.10 TERMINATION OF CONTRACT

The Shire of Menzies reserves the right to terminate the contract by 14 days advice in writing in the event of any of the following circumstances:

- (a) Failure on the part of the contractor or Service Company, their employees or agents, to achieve performance goals as agreed between both parties prior to signing of the contract.
- (b) Failure on the part of the contractor, Service Company, their employees/agents, to maintain the good name of the Shire of Menzies through any misleading or improper conduct.
- (c) Insolvency of the contractor or Service Company.
- (d) Any improper or unacceptable behaviour or activities of the contractor, service company or their employees/agents which can reasonably be shown to affect the provision or quality of service under this agreement and which is not remedied within seven days after receipt of the complaint by the contractor or service company.
- (e) If an event of termination occurs and a termination notice is served on the contractor or Service Company, any alliance under the contract will come to an end.
- (f) The Shire of Menzies reserves the right to immediately make arrangements for the provision of service to meet the needs of ratepayers as specified in the tender document. Further, that all costs involved in securing a new service over and above that which would have been paid to the original contractor or service provider during the contract period will be recovered.
- (g) Nothing in this part will preclude the Shire of Menzies from recovering damages suffered from the contractor/service company as a result of early termination of the contract.

5 APPENDIX B – FORMAL INSTRUMENT OF AGREEMENT AND GENERAL CONDITIONS OF CONTRACT

CONTRACT NO.
RFT 04/11

AGREEMENT

BETWEEN
Shire of Menzies

&

THIS Contract is made on the Day of

2012 BETWEEN:

THE SHIRE OF MENZIES having its office in the State of Western Australia at 124 Shenton Street, Menzies ("the Principal"); and

The Contractor mentioned in the Schedule
having its offices at ("the Contractor")

RECITALS

The Principal, in its capacity as the local government under section 2.5 and its subsections of the Local Government Act 1995, desires the performance of the Services and the Contractor has agreed to perform the same upon the terms and conditions set out in this Contract.

IT IS AGREED AS FOLLOWS

1. Definitions and Interpretations

1.1 Definitions

In this Contract words and expression shall have the same meanings as are respectively assigned to them in the General Conditions of Contract and in the specification hereinafter referred to, except that the term:

"General Conditions of Contract" means General conditions of contract contained herein.

1.2 Construction

- 1.2.1 References to statutes, regulations, ordinances or by-laws include all statutes, regulations, ordinances or by-laws amending, consolidating or replacing them.
- 1.2.2 Where a reference is made to any person, body or authority that reference will, if the person, body or authority has ceased to exist, be deemed to be a reference to the person, body or authority which serves substantially the same objects as that person, body or authority.
- 1.2.3 Where the day or last day for doing anything on which an entitlement is due to arise is a Saturday, Sunday, Public or Bank Holiday in Western Australia, the day or last day for doing the thing or date on which the entitlement arises will, for the purpose of this Contract, be the immediately following day, that is not a Saturday, Sunday or Public or Bank Holiday.

1.3 Consent of Principal

Where the Principal's consent or approval is required the consent or approval must not be unreasonably withheld.

2 Constitution of this Contract

The following documents attached hereto (including any alterations made and initialled by both parties) shall constitute this Contract, namely the following:

- a) correspondence to the extent it varies any aspect of this Contract;
- b) this document;
- c) Specification and Special Conditions;
- d) Price/Rates Schedule; and
- e) Contractor's Tender submission of

In construing this Contract and in the event of any inconsistency in these documents, the order of precedence shall be from (a) to (e) as set out in this clause.

3 Consideration

In consideration of the satisfactory, timely and complete performance of the Services by the Contractor in accordance with the Contract, the Principal shall pay to the Contractor the amount calculated on the basis of the price or such other contract sum as may become payable to the Contractor pursuant to the provisions of the Contract.

4 Contractor's Warranty

The Contractor Warrants that it has significant knowledge and experience in providing the Services and that it has and will continue to have an adequate, skilled, competent and fully trained organisation capable in all aspects of performing the Services.

EXECUTED by the Parties.

SIGNED by

L.P Strugnelli
Acting Chief Executive Officer
in the presence of

(Note: **Witness** must sign and then print name)

WITNESS: NAME _____

SIGNED by the said

(Contractor)

Signature of Director

Of

A.B.N.

in the presence of:

Signature of Witness

(Note: **Witness** must sign and then print name)

WITNESS: NAME

CONTRACT NO: TEN 04/11

DESCRIPTION: **Tender for Road Sealing Services – 2 year Period Panel Contract**

CONTRACTOR:

As part of the Shire of Menzies 2011/12 and 2012/13 Works Programs various road projects require primersealing, 2nd coat or resealing or asphalt overlays.

The projects represent approximately 100,000m² of hot bitumen seal works; approximately 10,000m² black asphalt and approximately 200m² of red asphalt.

This contract will be a panel type contract for a period of 2 years, with possible extension into the third year whilst the next panel tender is being developed, advertised and awarded.

Description – Bitumen Seal	GST Exclusive	GST Component	Total Cost
BITUMEN	Rate/m ²	Rate/m ²	Rate/m ²
Price /m ² - litre/m ² (based on 1.8 l/ m ² at 15°) Including: a) Seal design b) Bitumen	\$	\$	\$
Variation rate /L	\$	\$	\$
	GST Exclusive	GST Component	Total Cost

APPLICATION	Rate/m ²	Rate/m ²	Rate/m ²
Price /m ² Including: a) Pre-coating of aggregate b) Application of bitumen and aggregate c) Rolling; d) Traffic Management	\$	\$	\$
	GST Exclusive	GST Component	Total Cost
GENERAL	<i>Lump Sum</i>	<i>Lump Sum</i>	<i>Lump Sum</i>
Price sweeping (1 to 4 weeks after seal)	\$	\$	\$

Description – Asphalt	GST Exclusive	GST Component	Total Cost
ASPHALT	Rate/m ²	Rate/m ²	Rate/m ²
Price /m ² – 25mm BLACK mix (10mm stone) includes tack coat, preparation, traffic management.	\$	\$	\$
Price /m ² – 15mm RED mix (7mm stone) includes tack coat, preparation, traffic management.	\$	\$	\$

SIGNED: _____ DATE: _____

GENERAL CONDITIONS OF CONTRACT

FOR THE PROVISION OF

GENERAL

SERVICES

GOVERNING LAW

The contract shall be governed by the laws of the State of Western Australia and the parties hereby submit to the exclusive jurisdiction of the courts of the State.

1. DEFINITIONS

1.1 In the Contract, except where the context otherwise requires:

'Clause' means a clause of these General Conditions.

'Contract' means the document which constitutes or evidences or, as the case may be, all the documents which constitute or evidence the final and concluded agreement between the Principal and the Contractor.

'Contract Price' means

- (a) where payment is to be made on a Lump Sum Basis, the sum which is stated in the contract to be payable to the Contractor for the supply of the Services by the Contractor and the performance of the obligations of the Contractor under the Contract;
- (b) where payment is to be made on a Schedule of Rates basis, the sum ascertained by calculating the product of the rates and the corresponding quantities set out in the Schedule of Rates and adding to the sum thereof the total of any lump sums, provisional sums, contingency sums or other sums included in the Schedule of Rates;
- (c) where payment is to be made on a Lump Sum and a Schedule of Rates Basis, the aggregate of the sums referred to in paragraphs (a) and (b),

but excluding any additions or deductions, which may be required to be made pursuant to the Contract.

'Contractor' means the person or persons, corporation or corporations, who contract to supply the Services the subject of the Contract.

'Council's Contract Authority' means the person who from time to time occupies or acts in the position specified in the Tender Documentation and who is authorised to administer this Contract.

'Officer' means any officer or person authorised by the Principal and notified to the Contractor as an authorised officer for the purpose of this Contract.

'Principal' means the Shire of Menzies. Referred to occasionally in this document at the "Shire"

'Services' means the whole of the services, tasks, work and requisites to be supplied rendered provided or performed by the Contractor including all variations provided for by the Contract as more fully set out in the Contract.

'Specification' means any Special Conditions, Technical Specification and Schedules forming part of the Contract; and such Specification shall be read with these General Conditions as an integral part of the Contract, but in the event of any inconsistency between the Specification and these General Conditions the former shall (unless the Contract otherwise provides) prevail.

- 1.2 Unless the context otherwise requires, the singular in all cases includes the plural and vice versa. The clause headings of the General Conditions of Contract shall not in any way affect their interpretation. Any one gender includes all genders.

2. QUALITY OF SERVICES

- 2.1 All Services rendered shall conform to the Specification and the standards specified in the Contract.
- 2.2 Where no standards are specified in the Contract, the Services shall comply with the appropriate and current standard of the Standards Association of Australia and if there is no such standard then the appropriate and current standard of the British Standards Institution or such other standard as the Principal shall consider appropriate.
- 2.3 If no standards are applicable, the Services shall be of the highest standard and carried out promptly with all due skill care and diligence.
- 2.4 The Contractor shall employ only such persons as are careful skilled and experienced in their respective professions trades and callings who hold all necessary licences permits and authorities required by law and whose standards of workmanship are entirely suitable for the performance of the Services and the requirements of the Contract.

3. CONTRACTOR RECORDING KEEPING OBLIGATION

- 3.1 The contractor will create and receive records in the format and at the frequency specified in the schedule attached (The Schedule) to meet the Shire's legislative, business and accountability requirements.
- 3.2 In accordance with State records Act 2000, records detailed in The Schedule are a government-owned asset. Ownership and proprietary interest of records created or collected by the contractor under this contract is vested in the Shire of Menzies.
- 3.3 **Option A:** The contractor will transfer all records detailed in The Schedule to the Shire within 48 hours after creation or receipt for ongoing management in accordance with the Shire's Record Keeping Plan.
- Option B:** The contractor will transfer all records detailed in The Schedule to the Shire on a weekly/monthly basis for ongoing management in accordance with the Shire's record keeping Plan.
- Option C:** The contractor will maintain a record keeping system that meets the minimum compliance requirements of State Records Commission Standard 1 "Government Record keeping", to the satisfaction of the Shire. The contractor will transfer all records detailed in The Schedule to the Shire at the completion of the contract for ongoing management in accordance with the Shire's record Keeping Plan.
- 3.4 The Shire will be granted unlimited access to all records detailed in The Schedule while in the custody of the contractor. The contractor will be granted unlimited access to all records transferred to the Shire under 3 above for the term of this contract.
- 3.5 Access to the records detailed in The Schedule by the contractor after the completion of the contract will be in accordance with the Freedom of Information Act 1992 and the Shire's Policy.
- 3.6 Members of the public may be permitted to access the records detailed in The Schedule in accordance with the Freedom of Information Act 1992 and the Shire's Policy.

- 3.7 The contractor must not dispose of any records detailed in The Schedule without authorisation of the Shire of Menzies.

4. PATENT RIGHTS

- 4.1 The Contractor shall indemnify and at all times keep the Principal indemnified against any action, claim, demand, costs or expenses arising from or incurred by reason of any infringement or alleged infringement by the Contractor of any letters patent, design, trade mark or name, copyright or other protected right in respect of any goods, articles, services, equipment, machinery, plant or thing, system or method of performing, using, fixing, working or arrangement used, fixed, provided or supplied by the Contractor.
- 4.2 All payments and royalties payable in respect of any such letters patent or other protected right, shall be included by the Contractor in the Contract and shall be paid by itself to the person, persons, or body to whom they may be due or payable.
- 4.3 In the event of any claim being made or brought against the Principal in respect of any of the matters stated in this clause, the Contractor shall be immediately notified thereof. The Contractor shall, with the assistance if required of the Principal, but at the Contractor's sole expense, conduct all negotiations for the settlement of the same or any litigation that may arise therefrom and in the event of the failure by the Contractor so to do, the Principal shall have power to suspend payment of any money due to the Contractor under the Contract until such claim has been satisfied, settled, or withdrawn. Should any money due, or which may thereafter become due, to the Contractor, or which may have been deposited by the Contractor as security under the Contract, be insufficient to satisfy or settle any such claim and such claim has not been satisfied or withdrawn at the date when the Contract would otherwise have been completed, the balance outstanding in respect of the claim shall be a debt due by the Contractor to the Principal.

5. TIME

- 5.1 Services under the contract shall be supplied punctually at or within the time stated in the Order and in this respect time shall be of the essence of the Contract.
- 5.2 The Contractor shall be entitled only to such extensions of time for compliance with the Contract as the Principal, upon the written application of the Contractor, may in its absolute discretion grant in writing.

6. SUPPLY OF SERVICES BY ORDER

- 6.1 The Contractor shall fulfil all orders for Services placed by the Principal during the term or currency of the Contract.
- 6.2 Where the Contract is for the supply of Services by reference to a list of Services and prices in a Schedule to the Specification, the Principal shall not be required to take or accept all or any of the Services listed EXCEPT such of the Services as may be ordered by the Principal from time to time during the period of the Contract.
- 6.3 Where the quantity or value set out in any Schedule to the Specification is described as 'approximate' it shall be regarded only as an estimate of the quantity or value which may be required under the Contract and the Principal shall not be required to take or accept the said nominated approximate quantity or value of Services.
- 6.4 The right is reserved for the Principal to order its requirements of any one type or item of the Services either at one time or in instalments or in such quantities as may be required from time to time.

- 6.5 Nothing herein contained shall oblige the Principal to take or accept all its needs or requirements of the Services solely from the Contractor nor shall be taken to confer any exclusive right upon the Contractor to provide the Services to the Principal. The Principal shall be free at all times to obtain the Services or any part of them from any other source provider or supplier thereof except Services the subject of an existing order to the Contractor.

7. STAMP DUTY

The Contractor shall pay all stamp duties in connection with the Contract.

8. GOODS AND SERVICES TAX

- 8.1 For the purposes of this clause:

- (a) "GST" means goods and services tax applicable to any taxable supplies as determined under the GST Act.

"GST Act" means A New Tax System (Goods and Services Tax) Act 1999 and (where the context permits) includes the Regulations and the Commissioner of Taxation's Goods and Services Tax Rulings and Determinations made thereunder and any other written law dealing with GST applying for the time being in the State of Western Australia.

"Supply", "taxable supply" and "tax invoices" have the same meanings as in the GST Act.

- 8.2 Where the supply of the Services or any part thereof is a taxable supply under the GST Act:

- (a) The Contract Price shall be inclusive of all applicable GST at the rate in force at the time being.
- (b) The obligation of the Principal to pay the Contract Price or any instalment thereof, and the right of the Contractor to recover the Contract Price or any instalment thereof, shall be subject to and conditional upon the prior issue by the Contractor and the prior receipt by the Principal of a tax invoice in respect of the Contract Price, or the relevant instalment thereof, which complies in all respects with the GST Act.

This provision applies notwithstanding any other provision of the Contract or any legislation or rule of law to the contrary, but does not apply if the Contractor is not registered for GST, and is not required to be so registered, under the GST Act.

- 8.3 The Contractor shall at all times observe, perform and comply with all applicable provisions of the GST Act relative to the supply of the Services under the Contract.

9. PRICE VARIATIONS

- 9.1 Contract prices shall be firm unless otherwise stated in the Contract.
- 9.2 Where Contract prices are variable, and the Contractor wishes to claim for a variation in price during the term of the Contract, then the Contractor shall give the Principal full details of the make-up of the claim, including all applicable information as to the cost of materials, direct labour, overheads, profit and such other cost components as the Principal may require to verify any claim for variation. All applications for variation must show in statement form the existing approved Contract prices, the proposed price increase and proposed new Contract price on an item-by-item basis and shall be accompanied by all relevant determinations and documents in support of the claim.
- 9.3 Where the Contract price is the price ruling at date of performance of the Services the Contractor shall produce to the Principal evidence to verify each claim for payment.
- 9.4 Where trade list prices form the basis of the Contract the Contractor shall identify the trade list referred to by date, number or other suitable reference.
- 9.5 Reductions affecting the Contract rates shall be notified by the Contractor to the Principal immediately they occur and the Contractor shall repay to the Principal the full amount of any overpayment made by the Principal within fourteen (14) days of the reduction being authorised by the Principal.
- 9.6 Applications for variation of variable Contract prices or rates by the Contractor shall be submitted in writing to the Principal as far in advance as practicable of the date from which the variation is sought to commence.

All variations must be approved by the Principal shall operate from a date determined by the Principal, which shall not be earlier than the date of the formal application for variation.

The onus shall be upon the Contractor to prove to the satisfaction of the Principal all details of any variation claimed.

- 9.7 In all matters of price variations (up or down) the Contractor shall make available to the Principal within the time specified by the Principal such information, records, facts and figures as the Principal shall require. Failure to supply the required information, records, facts and figures shall entitle the Principal to refuse the variation.
- 9.8 Where the variation is to be determined on the basis of decisions by the Australian Competition and Consumer Commission such variations will be effective on the date nominated by the Australian Competition and Consumer Commission and will be binding on all parties. Should the Australian Competition and Consumer Commission cease to operate during the period of the Contract, a new variation arrangement will be negotiated by mutual agreement. If agreement cannot be reached, the Contract may forthwith be determined by either party by written notice to the other.

10. ASSIGNING OR SUBLETTING

The Contractor shall not without the previous consent of the Principal in writing, assign transfer mortgage charge encumber sublet or subcontract the Contract, or any part thereof. The Contractor shall not assign transfer mortgage, charge, or encumber, all or any of the moneys payable or to become payable or any other interest or benefit under the Contract without the consent in writing of the Principal being first obtained. Any consent shall not

discharge the Contractor from any liability in respect of the Contract, and shall extend only to the assignment or other transaction actually consented to and shall not be deemed a consent to any other assignment of transaction nor to prevent any proceedings for any subsequent breach of this condition any may be granted or withheld or made subject to conditions in the absolute discretion of the Principal.

11. TERMINATION OF CONTRACT

11.1 Where the Contractor

- (a) fails to supply and provide the Services on the due date or dates or at the location or locations specified in the Contract or in any order or to duly and punctually observe and perform all or any of the terms or conditions set out in the Contract; or
- (b) fails to remedy within seven days after receipt of a complaint any improper or unacceptable behaviour or activities by the service company or their employees/agents which can reasonably be shown to affect the provision or quality of service under the Contract.
- (c) assigns subcontracts or sublets the Contract, or any part thereof, or assigns, mortgages, charges, or encumbers, or attempts to assign, mortgage, charge, or encumber, all or any of the moneys payable or to become payable under the Contract, or any other interest or benefit whatsoever arising, or which may arise, under the Contract without the consent in writing of the Principal being first obtained; or
- (d) (if an individual) becomes bankrupt; or
- (e) (if a corporation) goes into voluntary or compulsory liquidation or goes into receivership or enters into voluntary administration; or
- (f) makes an assignment of its estate for the benefit of its creditors, or makes an arrangement or composition with its creditors; or
- (g) includes any statement fact information representation or material in its Tender which is false untrue or incorrect; or
- (h) fails in any manner to perform the Contract to the complete satisfaction of the Principal;

then, and in every such case, the Principal may give notice in writing to the Contractor terminating the Contract, whether there are any orders remaining to be filled or not and engage or contract with any person or corporation other than the Contractor to perform and complete the same.

- 11.2 The Shire of Menzies reserves the right to immediately make arrangements for the provision of services to meet the needs of ratepayers as specified in the tender document. Further, that all costs involved in securing a new service over and above that which would have been paid to the original contractor or service provider during the contract period will be recovered.

Nothing in this part will preclude the Shire of Menzies from recovering damages suffered from the contractor/service company as a result of early termination of the contract.

- 11.3 All damages and expenses incurred by the Principal under or by virtue of the provisions of sub-clause 11.1 shall be ascertained and certified to by the Officer, and shall be deducted from any money that may be then due, or may thereafter become due to the Contractor, or that may have been deposited by itself as security in respect of the Contract. If the money then due, or thereafter becoming due to the Contractor, or deposited by itself as aforesaid, shall be not sufficient for that purpose, the balance remaining unpaid shall be a debt due by the Contractor to the Principal, and may be recovered from the Contractor in any Court of competent jurisdiction.
- 11.4 If the Contract is terminated the moneys which have been previously paid to the Contractor on account of the orders filled shall be taken by the Contractor as full payment and satisfaction for all orders executed under the Contract. All sums of money that may be due to the

Contractor and unpaid, and all sums of money (if any) held as security, shall be forfeited and may be retained by the Principal.

- 11.5 Upon termination of the Contract all moneys previously paid to the Contractor shall be deemed to be in full satisfaction of all claims of the Contractor of any kind or description whatsoever under or in respect of the Contract.
- 11.6 Upon termination of the Contract any alliance under the contract will come to an end.

12. FAILURE TO SUPPLY

Where a state of emergency exists or where the Contractor is unable or fails (for whatever reason) to supply and provide the Services at any time or in any place the Principal may without being liable in any way to the Contractor obtain or acquire such Services as it requires during the state of emergency or at that time or in that place (as the case may be) from any other source supplier or provider thereof. The existence of a state of emergency shall be determined by the Principal in its sole discretion.

13. POWER TO ACT FOR THE PRINCIPAL

Anything to be done or performed by the Principal may be done and performed by any person duly authorised by the Principal.

14. VARIATION OF CONTRACT TERMS

None of the terms of the Contract shall be varied, waived, discharged or released either at law or in equity, unless by the express agreement of the Principal in writing.

15. SUSPENSION OF PAYMENTS

Should the Contractor refuse or neglect to carry out the instructions of the Principal in regard to any matter connected with the Contract, the Principal may suspend all payments to the Contractor until such instructions have been complied with.

16. DEDUCTION OF CHARGES OR DEBTS

- 16.1 Without limiting the Principal's rights under the any of the foregoing clauses hereof any debt due from the Contractor to the Principal may be deducted by the Principal from any moneys which may be or thereafter become payable to the Contractor by the Principal, and if such moneys are insufficient for this purpose, then from the Contractor's security under the Contract. Nothing in this clause shall affect the right of the Principal to recover from the Contractor the whole of the debt or any balance that remains owing after deduction.
- 16.2 The Contractor hereby acknowledges and agrees that all moneys becoming payable by the Contractor in respect of the Contract and all costs, expenses, losses, and damages hereinbefore mentioned, and for which the Contractor shall become liable at any time under the Contract, may be deducted and paid by the Principal from any sum or sums due, or which may become due, to the Contractor under or in respect of any other contract or contracts which may be subsisting between the Contractor and the Principal for the time being.

17. PAYMENT

- 17.1 The Principal shall pay or cause to pay to the Contractor, upon the certificate of the Officer, all sums of money due or to become due to the Contractor under the Contract, in the amounts and at the times set forth in the Contract, and shall pay or hand over the Security (if any) deposited to the Contractor within fourteen days after the Officer has certified that the Contract has been satisfactorily completed. Failure by the Principal to pay the amount payable at the due time will not be grounds to vitiate or avoid the Contract.
- 17.2 Where the Contract is a schedule of prices Contract to be executed at the rates or prices given in the Contract, then the Services shall be paid for at their schedule rates and not at the total amount of the Contractor's tender.
- 17.3 The Contractor shall not be entitled to any interest, credit charge, service fee or any other fee or charge for extending credit or allowing time for the payment of money becoming due for the provision of Services unless expressly provided for in the Contract.
- 17.4 The Principal shall not be obliged to pay accounts of the Contractor unless received by the paying officer nominated on the Order.
- 17.5 The Contractor must provide the Principal with an invoice containing a reference to the number and date of the Order and a correct statement of the Services after the completion of the Service or an Order.

An invoice containing a reference to the number (requisition #) and date of the request (or order) shall be forwarded by the Contractor to the Principal after completion of provision of the Service. Invoices to include the following detailed information:

- Accurate statement of Services provided for each item listed on the invoice;
 - Applicable rate;
 - The total GST applicable for the invoice and the overall invoice total inclusive of GST.
- 17.5 Unless the parties agree otherwise in writing, the Principal will pay amounts due to the Contractor under the Contract in accordance with the Council's terms of payment which are, unless the Principal notifies the Contractor otherwise, 30 days from the end of the month in which the Council receives the Contractor's invoice.
- 17.6 All periods for payment of invoices shall be calculated from the date of preparation of the invoice.

18. SERVICE OF NOTICES

Any notice, order, instruction or communication required to be, or that may be served on or given to the Contractor by the Principal or the Officer shall be deemed to have been sufficiently issued or given to or served upon the Contractor if it is handed to the Contractor or is sent by prepaid cost to or is left at the address of the Contractor stated in its Tender or at such other address as is notified in writing by the Contractor to the Principal.

19. CONTRACTOR TO INFORM ITSELF

The Contractor shall be deemed to have:

- (a) examined carefully and to have acquired actual knowledge of the contents of the Drawings, Specification, Schedules, Bills of Quantities (if any), Conditions of Tendering, these General Conditions of Contract and the Special Conditions of Contract (if any) and any other information made available in writing by the Principal to the Contractor for the purpose of tendering; and
- (b) examined the site and its surroundings; and
- (c) satisfied itself as to the correctness and sufficiency of its tender and that its price covers the cost of complying with all its obligations under the Contract and of all matters and things necessary for the due and proper performance and completion of the contract.

Failure by the Contractor to do all or any of the things it is deemed to have done under this clause will not relieve the Contractor of its liability to perform and complete the Contract in accordance with the terms and conditions thereof.

20. COMPLYING WITH STATUTORY REQUIREMENTS

- 20.1 The Contractor shall comply with the requirements of all Acts of the Parliament of the Commonwealth and with the requirements of the provisions of all Acts of the Parliament of the State of Western Australia and with the requirements of all ordinances, rules, regulations, by-laws, orders, codes of practice and proclamations made or issued under any such Act and with the lawful requirements of public and other authorities in any way affecting or applicable to the Services or the performance of the Contract.
- 20.2 Without limiting in any way the generality of the foregoing, the Contractor shall duly and punctually observe, perform and comply with the provisions of the Occupational, Safety and Health Act 1984 and all improvement notices, prohibition notices and codes of practice (if any) issued thereunder and having application to this Contract.
- 20.3 If, in the opinion of the Contractor, the provisions of any document forming part of the Contract are at variance with any such requirements, the Contractor shall give written notice to the Principal specifying the departure from such provisions which he considers necessary to comply with such requirements.

21. PROPERTY DAMAGE AND PUBLIC RISK

- 21.1 Subject to the next succeeding paragraph of this clause, the Contractor shall indemnify and keep indemnified the Principal against all loss of or damage to the property of the Principal and from and against any claim, demand, action, suit or proceeding that may be made or brought by any person against the Principal, or the employees, professional consultants or agents of the Principal or any of them in respect of personal injury to or the death of any person whomsoever or loss of or damage to any property whatsoever arising out of or as a consequence of the supply or provision of the Services by the Contractor or its employees, agents or sub-contractors and also from any costs and expense that may be incurred in connection with any such claim, demand, action, suit or proceeding.
- 21.2 The Contractor shall not, under the last preceding paragraph of this clause, be rendered liable for or in respect of personal injury to or the death of any person or loss of or damage to property resulting from any breach by the Principal of any provision of the Contract or any negligent act or omission of the Principal, or the employees, professional consultants or

agents of the Principal or for or in respect of any claims, demands, actions, suits or proceedings, costs and expenses whatsoever in respect thereof or in relation thereto.

22. INDEMNITY

- 22.1 The Contractor shall indemnify and keep indemnified the Principal against all loss of or damage to the property of the Principal and from and against any claim, demand, action, suit or proceeding that may be made or brought by any person against the Principal or employees, professional consultants or agents of the Principal or any of them in respect of personal injury to or the death of any person whomsoever or loss of or damage to any property whatsoever arising out of or as a consequence of the sale or delivery of the Goods or the supply or provision of the Services by the Contractor or its employees, agents or subcontractors and also from any costs and expenses that may be incurred in connection with any such claim, demand, action, suit or proceeding.
- 22.2 Notwithstanding the preceding paragraph, the Contractor shall not be rendered liable for personal injury to or the death of any person or loss of or damage to property resulting from any breach by the Principal of any provision of the Contract or any negligent act or omission of the Principal, or the employees, professional consultants or agents of the Principal nor for any claims, demands, actions, suits or proceedings, costs and expenses whatsoever in respect thereof or in relation thereto.

23. INSURANCE

- 23.1 Without limiting its obligations and responsibilities, the Contractor shall take out Insurance for the entire Contract period under the following headings;

(a) **Public Liability:**

A Public Liability policy with an Insurer approved by the Australian Prudential Regulation Authority (APRA) as per their list of Insurers Authorised to Conduct New or Renew Insurance Business in Australia.

The policy of Public Liability Insurance taken out by the Contractor is to provide a minimum limit of liability of \$5 million (AUD\$5,000,000) in respect of Death, Property Damage and Bodily Injury.

(b) **Workers Compensation:**

The Contractor shall effect and keep in effect during the currency of the Contract such Insurance as may be necessary to adequately protect the Contractor and the Principal in respect of liability for payment of compensation to any Employee of the Contractor or of a Subcontractor of the Contractor under the Workers' Compensation and Injury Act 1981 or at Common Law.

(c) **Professional Indemnity:**

Where the Contract involves the provision of professional services and/or advice, the Contractor is to take out a Professional Indemnity Insurance policy with an Insurer approved by the Australian Prudential Regulation Authority (APRA) as per their list of Insurers Authorised to Conduct New or Renew Insurance Business in Australia.

The policy of Professional Indemnity Insurance taken out by the Contractor will have a limit of Liability based upon a figure agreed by the Principle and Contractor as per the attached Schedule however; the limit of Liability will not be less than \$5 million (AUD\$5,000,000).

- 23.2 The Contractor is to provide the Principle with Certificates of Currency and/or a copy of the Policy wording confirming as laid down within the tender document (if not mentioned, within seven (7) days) that the above Insurance policies are in place for the entire Contract period.
- 23.3 The Contractor at the discretion of the Principle may be required to provide the Principle with a Risk Management Plan relating to the Contract in accordance with AS/NZS 4360-2004 Risk Management.
- 23.4 The Contractor at the discretion of the Principle may be required to detail the Principle as a Joint Named Insured under some or all of the Insurances detailed under Clause 23.1 and/or detail the Principles Interest by way of notation on Certificates of Currency.

24. CONFLICT OF INTEREST

- 24.1 The Contractor warrants that, to the best of its knowledge after making diligent inquiry, at the date of signing the Contract no conflict with interests of the Principal exists is likely to arise in the performance of the Services.
- 24.2 If, during the performance of the Contract, a conflict of interest arises, or appears to arise, the Contractor agrees to:
- (a) Notify the Principal immediately in writing.
 - (b) Make full disclosure of all relevant information relating to the conflict; and
 - (c) Take such steps as the Principal may reasonably require to resolve or otherwise deal with the conflict.
- 24.3 If the Contractor does not notify the Principal or is unable or unwilling to resolve or deal with the conflict as required, the Principal may terminate the Contract.
- 24.4 The Contractor agrees that it will not, and will use its best endeavours to ensure that any officer, employee, agent or subcontractor of the Contractor does not, engage in any activity or obtain any interest during the course of the Contract that is likely to conflict with or restrict the Contractor in providing the Services to the Principal fairly and independently.

25. WARRANTIES

The Contractor shall obtain warranties as specified in the Contract and shall ensure that the Principal will have the benefit of the warranties. The Contractor shall ensure that the Principal will have the benefit of any warranties specified in the Contract that are obtained by the sub-contractors of the Contractor.

26. PATTERNS, JIGS, DIES AND DRAWINGS

If for the purpose of performing the Contract it is necessary for the Contractor to make, purchase or otherwise acquire any pattern, jig, die, drawing or other aid to manufacture or production and the cost of such making purchase or acquisition is included in the Contract Price the pattern, jig, die, drawing or other aid to manufacture or production is to become the property of the Principal, the Contractor shall deliver it properly packed and labelled to a point of delivery nominated by the Principal before completion of the Contract.

27. OWNERSHIP

All works items materials or information of whatever nature produced or developed by the Contractor or under the direction of the Contractor pursuant to or in the course of providing the Services shall be and become the sole and complete property of the Principal whether such property is tangible or is in the nature of industrial or intellectual property rights (including copyright and rights of confidential information). The Contractor must not use any such works, items, materials or information otherwise than for the purpose of performing the Services hereunder without the prior written consent or license of the Principal first had and obtained.

28. CONFIDENTIALITY

Neither party to the Contract shall release any document or article or divulge any information concerning the details of the Contract, without the other party's prior written approval, unless the information is publicly known or required to be disclosed by law.

This clause shall survive the termination of the Contract.

29. RELATIONSHIP OF PARTIES

Nothing contained in the Contract shall be deemed to constitute a relationship between the Principal and the Contractor other than the relationship of a principal and an independent contractor. The Contract shall not be construed so as to constitute a relationship of an employer and employee or a principal and agent between the Principal and the Contractor.

30. INDUSTRIAL AWARDS

- 30.1 With respect to all work done in Western Australia under the Contract, the Contractor shall observe, perform and comply in all material respects with all relevant Industrial Awards, Industrial Agreements and orders of Competent Courts or Industrial Tribunals applicable to the Services and the work to be done under the Contract.
- 30.2 Failure by the Contractor to comply with sub clause 30.1 hereof shall entitle the Principal by notice in writing to the Contractor to forthwith terminate the Contract, but without prejudice to any other rights or remedies of the Principal.

31. SEVERABILITY

If any part of the Contract is or becomes void or unenforceable, then that part shall be severed from the Contract with the intent that all parts which are not or do not become void or unenforceable shall remain in full force and effect and be unaffected by any severance.

No: 9.9 COMPLIANCE AUDIT RETURN - 2011

SUBMISSION TO:	Ordinary Meeting of Council – 30 th March 2012
LOCATION:	Shire of Menzies
APPLICANT:	
FILE REF:	L/7/5
DISCLOSURE OF INTEREST:	Nil
DATE:	27 th March 2012
AUTHOR:	Kim Hastie, Acting Chief Executive Officer
SIGNATURE OF AUTHOR:	
SENIOR OFFICER:	Kim Hastie, Acting Chief Executive Officer
SIGNATURE OF SENIOR OFFICER:	

SUMMARY:

To adopt the Compliance Audit Return for the year ended December 31st 2011, as shown in the Attachment to this report.

BACKGROUND:

This submission is an annual statutory requirement as required by the Local Government Act and Audit regulations.

COMMENT:

Council is required to adopt the return or qualify its adoption and submit same to the Department of Local Government by March 31st, 2012. The President and Chief Executive Officer are required to sign the return. A copy of the Council minute adopting the return is to also be submitted with the return.

Council will note that there are some matters that are non-compliant. The circumstances of the Shire's operations of recent times has resulted in the 2010/11 audit being late (currently being done by Council's Auditor and in the knowledge of the Local Government Department) which results in the "Finance" section being as shown.

Other matters of non-compliance will be addressed and rectified by the administration in readiness for an improved report next year.

Listed under Statutory Environment below is noted that the Compliance Audit Return is to be presented to the Audit Committee for committee's review and subsequent report to Council. This process has had to be circumvented, due to time line problems and other organisational priorities, by referring the matter direct to Council.

Given the principles of superior/subordinate and delegator/delegatee under the Interpretation Act and the Local Government Act it is the view of this author that this circumvented process is still compliant in that the matter is dealt with by the superior (being the Council) in the relationship. That is if a lesser body (ie committee) has a power, duty or obligation, then its superior body (ie Council) can perform the power, duty or obligation.

CONSULTATION:

Carol Mc Allan, Deputy Chief Executive Officer

STATUTORY ENVIRONMENT:

Section 7.13(1)(i) Local Government Act
Clauses 13, 14 & 15 , Local Government
Audit Regulations.

7.13(1)(i) requiring local governments to carry out, in the prescribed manner and in a form approved by the Minister, an audit of compliance with such statutory requirements as are prescribed whether those requirements are —

- (i) of a financial nature or not; or
- (ii) under this Act or another written law.

13. Prescribed statutory requirements for which compliance audit needed (Act s. 7.13(1)(i))

For the purposes of section 7.13(1)(i) the statutory requirements set forth in the Table to this regulation are prescribed.

14. Compliance audits by local governments

- (1) A local government is to carry out a compliance audit for the period 1 January to 31 December in each year.
- (2) After carrying out a compliance audit the local government is to prepare a compliance audit return in a form approved by the Minister.
- (3A) The local government's audit committee is to review the compliance audit return and is to report to the council the results of that review.
- (3) After the audit committee has reported to the council under subregulation (3A), the compliance audit return is to be —
 - (a) presented to the council at a meeting of the council; and
 - (b) adopted by the council; and
 - (c) recorded in the minutes of the meeting at which it is adopted.

15. Compliance audit return, certified copy of etc. to be given to Executive Director

- (1) After the compliance audit return has been presented to the council in accordance with regulation 14(3) a certified copy of the return together with —
 - (a) a copy of the relevant section of the minutes referred to in regulation 14(3)(c); and
 - (b) any additional information explaining or qualifying the compliance audit,

is to be submitted to the Executive Director by 31 March next following the period to which the return relates.
- (2) In this regulation —

certified in relation to a compliance audit return means signed by —

 - (a) the mayor or president; and
 - (b) the CEO.

FINANCIAL IMPLICATIONS.

Nil

VOTING REQUIREMENTS:

Simple Majority Required

OFFICER RECOMMENDATION – COUNCIL RESOLUTION NO: 128
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MOVED Cr P.J. Twigg

SECONDED Cr C. Bennell

That Council adopt the “Compliance Audit Return” for the Shire of Menzies for the year ended December 31st, 2011, as presented together with the comments made by the Acting Chief Executive Officer and authorise the Shire President and Acting Chief Executive Officer to sign the return and submit it to the Local Government Department.

Carried 6/0



Menzies - Compliance Audit Return 2011

Certified Copy of Return

Please submit a signed copy to the Director General of the Department of Local Government together with a copy of section of relevant minutes.

Commercial Enterprises by Local Governments					
No	Reference	Question	Response	Comments	Respondent
1	s3.59(2)(a)(b)(c) F&G Reg 7,9	Has the local government prepared a business plan for each major trading undertaking in 2011.	N/A		Kim Hastie
2	s3.59(2)(a)(b)(c) F&G Reg 7,10	Has the local government prepared a business plan for each major land transaction that was not exempt in 2011.	N/A		Kim Hastie
3	s3.59(2)(a)(b)(c) F&G Reg 7,10	Has the local government prepared a business plan before entering into each land transaction that was preparatory to entry into a major land transaction in 2011.	N/A		Kim Hastie
4	s3.59(4)	Has the local government given Statewide public notice of each proposal to commence a major trading undertaking or enter into a major land transaction for 2011.	N/A		Kim Hastie
5	s3.59(5)	Did the Council, during 2011, resolve to proceed with each major land transaction or trading undertaking by absolute majority.	N/A		Kim Hastie



Delegation of Power / Duty					
No	Reference	Question	Response	Comments	Respondent
1	s5.16, 5.17, 5.18	Were all delegations to committees resolved by absolute majority.	Yes		Kim Hastie
2	s5.16, 5.17, 5.18	Were all delegations to committees in writing.	No	Will be rectified	Kim Hastie
3	s5.16, 5.17, 5.18	Were all delegations to committees within the limits specified in section 5.17.	Yes		Kim Hastie
4	s5.16, 5.17, 5.18	Were all delegations to committees recorded in a register of delegations.	No	Will be rectified	Kim Hastie
5	s5.18	Has Council reviewed delegations to its committees in the 2010/2011 financial year.	Yes		Kim Hastie
6	s5.42(1), 5.43 Admin Reg 18G	Did the powers and duties of the Council delegated to the CEO exclude those as listed in section 5.43 of the Act.	Yes		Kim Hastie
7	s5.42(1)(2) Admin Reg 18G	Were all delegations to the CEO resolved by an absolute majority.	Yes		Kim Hastie
8	s5.42(1)(2) Admin Reg 18G	Were all delegations to the CEO in writing.	N/A	unable to confirm either way	Kim Hastie
9	s5.44(2)	Were all delegations by the CEO to any employee in writing.	Yes		Kim Hastie
10	s5.45(1)(b)	Were all decisions by the Council to amend or revoke a delegation made by absolute majority.	N/A		Kim Hastie
11	s5.46(1)	Has the CEO kept a register of all delegations made under the Act to him and to other employees.	Yes		Kim Hastie
12	s5.46(2)	Were all delegations made under Division 4 of Part 5 of the Act reviewed by the delegator at least once during the 2010/2011 financial year.	No		Kim Hastie
13	s5.46(3) Admin Reg 19	Did all persons exercising a delegated power or duty under the Act keep, on all occasions, a written record as required.	N/A	unable to confirm either way	Kim Hastie

Disclosure of Interest					
No	Reference	Question	Response	Comments	Respondent
1	s5.67	If a member disclosed an interest, did he/she ensure that they did not remain present to participate in any discussion or decision-making procedure relating to the matter in which the interest was disclosed (not including participation approvals granted under s5.68).	Yes		Kim Hastie
2	s5.68(2)	Were all decisions made under section 5.68(1), and the extent of participation allowed, recorded in the minutes of Council and Committee meetings.	No	On two occasions it appears not to have happened.	Kim Hastie



No	Reference	Question	Response	Comments	Respondent
3	s5.73	Were disclosures under section 5.65 or 5.70 recorded in the minutes of the meeting at which the disclosure was made.	Yes		Kim Hastie
4	s5.75(1) Admin Reg 22 Form 2	Was a primary return lodged by all newly elected members within three months of their start day.	Yes		Kim Hastie
5	s5.75(1) Admin Reg 22 Form 2	Was a primary return lodged by all newly designated employees within three months of their start day.	Yes		Kim Hastie
6	s5.76(1) Admin Reg 23 Form 3	Was an annual return lodged by all continuing elected members by 31 August 2011.	Yes		Kim Hastie
7	s5.76(1) Admin Reg 23 Form 3	Was an annual return lodged by all designated employees by 31 August 2011.	Yes		Kim Hastie
8	s5.77	On receipt of a primary or annual return, did the CEO, (or the Mayor/ President in the case of the CEO's return) on all occasions, give written acknowledgment of having received the return.	Yes		Kim Hastie
9	s5.88(1)(2) Admin Reg 28	Did the CEO keep a register of financial interests which contained the returns lodged under section 5.75 and 5.76	Yes		Kim Hastie
10	s5.88(1)(2) Admin Reg 28	Did the CEO keep a register of financial interests which contained a record of disclosures made under sections 5.65, 5.70 and 5.71, in the form prescribed in Administration Regulation 28.	N/A	unable to confirm either way	Kim Hastie
11	s5.88 (3)	Has the CEO removed all returns from the register when a person ceased to be a person required to lodge a return under section 5.75 or 5.76.	Yes		Kim Hastie
12	s5.88(4)	Have all returns lodged under section 5.75 or 5.76 and removed from the register, been kept for a period of at least five years, after the person who lodged the return ceased to be a council member or designated employee.	Yes		Kim Hastie
13	s5.103 Admin Reg 34C & Rules of Conduct Reg 11	Where an elected member or an employee disclosed an interest in a matter discussed at a Council or committee meeting where there was a reasonable belief that the impartiality of the person having the interest would be adversely affected, was it recorded in the minutes.	Yes		Kim Hastie
14	s5.70(2)	Where an employee had an interest in any matter in respect of which the employee provided advice or a report directly to the Council or a Committee, did that person disclose the nature of that interest when giving the advice or report.	Yes		Kim Hastie



No	Reference	Question	Response	Comments	Respondent
15	s5.70(3)	Where an employee disclosed an interest under s5.70(2), did that person also disclose the extent of that interest when required to do so by the Council or a Committee.	Yes		Kim Hastie
16	s5.103(3) Admin Reg 34B	Has the CEO kept a register of all notifiable gifts received by Council members and employees.	Yes		Kim Hastie

Disposal of Property

No	Reference	Question	Response	Comments	Respondent
1	s3.58(3)	Was local public notice given prior to disposal for any property not disposed of by public auction or tender (except where excluded by Section 3.58(5)).	N/A		Kim Hastie
2	s3.58(4)	Where the local government disposed of property under section 3.58(3), did it provide details, as prescribed by section 3.58(4), in the required local public notice for each disposal of property.	N/A		Kim Hastie

Elections

No	Reference	Question	Response	Comments	Respondent
1	Elect Reg 30G (1)	Did the CEO establish and maintain an electoral gift register and ensure that all 'disclosure of gifts' forms completed by candidates and received by the CEO were placed on the electoral gift register at the time of receipt by the CEO and in a manner that clearly identifies and distinguishes the candidates.	Yes		Kim Hastie

Finance

No	Reference	Question	Response	Comments	Respondent
1	s7.1A	Has the local government established an audit committee and appointed members by absolute majority in accordance with section 7.1A of the Act.	Yes		Kim Hastie
2	s7.1B	Where a local government determined to delegate to its audit committee any powers or duties under Part 7 of the Act, did it do so by absolute majority.	Yes		Kim Hastie
3	s7.3	Was the person(s) appointed by the local government to be its auditor, a registered company auditor.	Yes		Kim Hastie
4	s7.3	Was the person(s) appointed by the local government to be its auditor, an approved auditor.	Yes		Kim Hastie
5	s7.3, 7.6(3)	Was the person or persons appointed by the local government to be its auditor, appointed by an absolute majority decision of Council.	Yes		Kim Hastie



No	Reference	Question	Response	Comments	Respondent
6	Audit Reg 10	Was the Auditor's report for the financial year ended 30 June 2011 received by the local government within 30 days of completion of the audit.	No	currently being audited	Kim Hastie
7	s7.9(1)	Was the Auditor's report for 2010/2011 received by the local government by 31 December 2011.	No	as above	Kim Hastie
8	S7.12A(3), (4)	Where the local government determined that matters raised in the auditor's report prepared under s7.9 (1) of the Act required action to be taken by the local government, was that action undertaken.	No	as above	Kim Hastie
9	S7.12A(3), (4)	Where the local government determined that matters raised in the auditor's report (prepared under s7.9 (1) of the Act) required action to be taken by the local government, was a report prepared on any actions undertaken.	No	as above	Kim Hastie
10	S7.12A(3), (4)	Where the local government determined that matters raised in the auditor's report (prepared under s7.9 (1) of the Act) required action to be taken by the local government, was a copy of the report forwarded to the Minister by the end of the financial year or 6 months after the last report prepared under s7.9 was received by the local government whichever was the latest in time.	No	as above	Kim Hastie
11	Audit Reg 7	Did the agreement between the local government and its auditor include the objectives of the audit.	Yes		Kim Hastie
12	Audit Reg 7	Did the agreement between the local government and its auditor include the scope of the audit.	Yes		Kim Hastie
13	Audit Reg 7	Did the agreement between the local government and its auditor include a plan for the audit.	Yes		Kim Hastie
14	Audit Reg 7	Did the agreement between the local government and its auditor include details of the remuneration and expenses to be paid to the auditor.	Yes		Kim Hastie
15	Audit Reg 7	Did the agreement between the local government and its auditor include the method to be used by the local government to communicate with, and supply information to, the auditor.	Yes		Kim Hastie



Local Government Employees					
No	Reference	Question	Response	Comments	Respondent
1	Admin Reg 18C	Did the local government approve the process to be used for the selection and appointment of the CEO before the position of CEO was advertised.	Yes		Kim Hastie
2	s5.36(4) s5.37(3), Admin Reg 18A	Were all vacancies for the position of CEO and other designated senior employees advertised and did the advertising comply with s.5.36(4), 5.37(3) and Admin Reg 18A.	Yes		Kim Hastie
3	Admin Reg 18F	Was the remuneration and other benefits paid to a CEO on appointment the same remuneration and benefits advertised for the position of CEO under section 5.36(4).	N/A		Kim Hastie
4	Admin Regs 18E	Did the local government ensure checks were carried out to confirm that the information in an application for employment was true (applicable to CEO only).	N/A		Kim Hastie
5	s5.37(2)	Did the CEO inform council of each proposal to employ or dismiss a designated senior employee.	N/A		Kim Hastie

Official Conduct					
No	Reference	Question	Response	Comments	Respondent
1	s5.120	Where the CEO is not the complaints officer, has the local government designated a senior employee, as defined under s5.37, to be its complaints officer.	N/A	CEO is the complaints officer	Kim Hastie
2	s5.121(1)	Has the complaints officer for the local government maintained a register of complaints which records all complaints that result in action under s5.110(6)(b) or (c).	Yes		Kim Hastie
3	s5.121(2)(a)	Does the complaints register maintained by the complaints officer include provision for recording of the name of the council member about whom the complaint is made.	Yes		Kim Hastie
4	s5.121(2)(b)	Does the complaints register maintained by the complaints officer include provision for recording the name of the person who makes the complaint.	Yes		Kim Hastie
5	s5.121(2)(c)	Does the complaints register maintained by the complaints officer include provision for recording a description of the minor breach that the standards panel finds has occurred.	No	will be rectified	Kim Hastie
6	s5.121(2)(d)	Does the complaints register maintained by the complaints officer include the provision to record details of the action taken under s5.110(6)(b) (c).	No	will be rectified	Kim Hastie



Tenders for Providing Goods and Services					
No	Reference	Question	Response	Comments	Respondent
1	s3.57 F&G Reg 11	Did the local government invite tenders on all occasions (before entering into contracts for the supply of goods or services) where the consideration under the contract was, or was expected to be, worth more than the consideration stated in Regulation 11(1) of the Local Government (Functions & General) Regulations (Subject to Functions and General Regulation 11(2)).	Yes		Kim Hastie
2	F&G Reg 12	Has the local government entered into multiple contracts only where avoiding the requirement to call tenders for a single contract in accordance with F&G Reg 11(1) was not a significant reason for doing so.	No		Kim Hastie
3	F&G Reg 14(1)	Did the local government invite tenders via Statewide public notice.	Yes		Kim Hastie
4	F&G Reg 14, 15 & 16	Did the local government's advertising and tender documentation comply with F&G Regs 14, 15 & 16.	Yes		Kim Hastie
5	F&G Reg 14(5)	If the local government sought to vary the information supplied to tenderers, was every reasonable step taken to give each person who sought copies of the tender documents or each acceptable tenderer, notice of the variation.	N/A		Kim Hastie
6	F&G Reg 18(1)	Did the local government reject the tenders that were not submitted at the place, and within the time specified in the invitation to tender.	Yes		Kim Hastie
7	F&G Reg 18 (4)	In relation to the tenders that were not rejected, did the local government assess which tender to accept and which tender was most advantageous to the local government to accept, by means of written evaluation criteria.	Yes		Kim Hastie
8	F&G Reg 17	Did the information recorded in the local government's tender register comply with the requirements of F&G Reg 17.	Yes		Kim Hastie
9	F&G Reg 19	Was each tenderer sent written notice advising particulars of the successful tender or advising that no tender was accepted.	Yes		Kim Hastie
10	F&G Reg 21 & 22	Did the local governments' advertising and expression of interest documentation comply with the requirements of F&G Regs 21 and 22.	N/A		Kim Hastie
11	F&G Reg 23(1)	Did the local government reject the expressions of interest that were not submitted at the place and within the time specified in the notice.	N/A		Kim Hastie



No	Reference	Question	Response	Comments	Respondent
12	F&G Reg 23(4)	After the local government considered expressions of interest, did the CEO list each person considered capable of satisfactorily supplying goods or services.	N/A		Kim Hastie
13	F&G Reg 24	Was each person who submitted an expression of interest, given a notice in writing in accordance with Functions & General Regulation 24.	N/A		Kim Hastie
14	F&G Reg 24E	Where the local government gave a regional price preference in relation to a tender process, did the local government comply with the requirements of F&G Reg 24E in relation to the preparation of a regional price preference policy (only if a policy had not been previously adopted by Council).	N/A		Kim Hastie
15	F&G Reg 11A	Does the local government have a current purchasing policy in relation to contracts for other persons to supply goods or services where the consideration under the contract is, or is expected to be, \$100,000 or less.	Yes		Kim Hastie

I certify this Compliance Audit return has been adopted by Council at its meeting on _____

Signed Mayor / President, Menzies

Signed CEO, Menzies

SUBMISSION TO:	Ordinary Meeting of Council 30th March 2012
LOCATION:	Shire of Menzies
APPLICANT:	
FILE REF:	M/5/4
DISCLOSURE OF INTEREST:	Nil.
DATE:	28th March 2012
AUTHOR:	Kim Hastie, Acting Chief Executive Officer
SIGNATURE OF AUTHOR:	
SENIOR OFFICER:	Kim Hastie, Acting Chief Executive Officer
SIGNATURE OF SENIOR OFFICER:	

As this item will deal with a legal opinion it is recommended that Council go behind closed doors.

3.00pm

Moved Cr: J.A. Dwyer

Seconded Cr:I.R. Tucker

That Council proceed behind closed doors for discussion on this matter.

SUMMARY:

That Council note the progress on this matter and formulate a resolution for further action.

BACKGROUND:

At the Council meeting held on 28th February 2012 the following recommendation was put to Council:-

- 1. A technical assessment to be carried out on the Caravan Park ATU in terms of its design and maximum treatment capacity.*
- 2. An assessment of the Caravan Park land be carried out in terms of where and how an increase in the ATU irrigation area could be suitably accommodated.*
- 3. Implications of the signed Memorandum of Understanding between the Shire and the Menzies Hotel be reassessed.*
- 4. The CEO report back on the logistics of creating a formal sewage line easement between the Hotel and the Shire Caravan Park.*
- 5. Advice be sought on the anticipated annual cost of statutory maintenance of the Caravan Park ATU in accordance with the Regulations and Code of Practice.*

Council subsequently resolved:-

That the item be deferred until the outcome of current action on Item 3 of the Recommendation is known.

COMMENT:

In regard to item 3 of the earlier recommendation shown above, a legal opinion has been obtained. Discussion on this will take place at the meeting.

CONSULTATION:

Solicitor

STATUTORY ENVIRONMENT:

N/A

POLICY IMPLICATIONS:

N/A

FINANCIAL IMPLICATIONS:

Nil at this time.

VOTING REQUIREMENTS:

Simple majority.

OFFICERS RECOMMENDATION – COUNCIL RESOLUTION NO: 129

MOVED Cr J.A. Dwyer

SECONDED Cr I.R. Tucker

That the legal opinion obtained in regard to this matter remain confidential.

Carried 6/0

MOVED Cr C. Bennell

SECONDED Cr J.A. Dwyer

That Council write to Mr. McKenna and explain the contract deficiency and invite him to attend the next Ordinary Meeting of Council.

Carried 6/0

MOVED: Cr: P.J. Twigg

Seconded Cr:I.R. Tucker

That Council re-open to members of the public.

Carried 6/0

SUBMISSION TO:	Ordinary Meeting of Council – 30th March 2012
LOCATION:	Shire of Menzies
APPLICANT:	
FILE REF:	
DISCLOSURE OF INTEREST:	Nil
DATE:	28th March 2012
AUTHOR:	Kim Hastie, Acting Chief Executive Officer
SIGNATURE OF AUTHOR:	
SENIOR OFFICER:	Kim Hastie, Acting Chief Executive Officer
SIGNATURE OF SENIOR OFFICER:	

SUMMARY:

That Council authorise the inclusion of \$66,000 in the 2012/13 budget for costs associated with the ongoing development of the Shire's Asset Management Plan.

BACKGROUND:

The Shire of Menzies has been a party to the development of asset management strategies in concert with the other local government members of the Goldfields Esperance Regional Collaborative Group.

The GERCG has engaged the services of KPMG, with government funding, to develop the strategies, formats, templates etc required for the development of an asset management plan.

The project has now reached the stage where individual local governments need to determine to what level of complexity their plans will be developed. The costs of this decision will be met by the individual local governments.

The Shire president and Acting CEO have been to several meetings on this matter and will provide further input and discussion at the Council meeting

COMMENT:

The preferred option for the Shire of Menzies is what is referred to as Option C.

CONSULTATION:

KPMG, Regional Local Governments, Shire President..

STATUTORY ENVIRONMENT:

Asset management planning is now a requirement of all local governments in the State.

POLICY IMPLICATIONS:

N/A

FINANCIAL IMPLICATIONS:

KPMG has advised that costs to develop the Option C model will be \$42,700 plus out-of-pocket expenses of approximately \$2,925.

In addition there will be significant effort required by local governments to gather, collate and check information that is required to be fed into the model. It is anticipated that a budget of \$20,000 will be required for this purpose.

Hence total costs of approximately \$66,000.

VOTING REQUIREMENTS:

Simple Majority.

OFFICERS RECOMMENDATION – COUNCIL RESOLUTION NO: 130

MOVED Cr C. Bennell

SECONDED Cr I.R. Tucker

That Council authorise the inclusion of \$66,000 in the 2012/13 budget for costs associated with the development of the Shire's Asset Management Plan.

Carried 6/0

SUBMISSION TO:	Ordinary Meeting of Council 30 th March 2012
LOCATION:	Shire of Menzies
APPLICANT:	
FILE REF:	W/1/3
DISCLOSURE OF INTEREST:	Nil
DATE:	28 th March 2012
AUTHOR:	Kim Hastie, Acting Chief Executive Officer
SIGNATURE OF AUTHOR:	
SENIOR OFFICER:	Kim Hastie, Acting Chief Executive Officer
SIGNATURE OF SENIOR OFFICER:	

SUMMARY:

That Council support the position taken by the Goldfields Voluntary Regional Organisation of Councils in regard to the provision of local government services to aboriginal communities.

BACKGROUND:

The concept of local government delivering services to aboriginal communities has been a topic of discussion for some time.

WALGA has addressed the issue on behalf of local governments across the state that have aboriginal communities and the GVROC has also been addressing the issue on behalf of the members in the Goldfields.

The GVROC Council met recently to finalise a position on the matter and resolved as follows:-

That the GVROC Council:

1. *receive the report prepared by CAMMS entitled "Costing and Scoping Study of Local Government Services in Indigenous Communities Located within the Goldfields Esperance Region";*
2. *recommends to Member Councils with indigenous communities that:*
 - a) *they advise the State and Federal Governments they will not participate further with the local government services to indigenous communities project until the questions raised from the 8 March 2012 WA Local Government Association Communique are addressed, particularly in relation to:*
 - i. *the determination of which communities are to be included in the normalisation process;*
 - ii. *what State and Federal Government funding will be guaranteed; and*
 - iii. *a comprehensive communication plan is prepared;*
 - b) *they request that a study be undertaken to determine the impact on general purpose financial assistance grants to local governments taking on responsibility for the provision of local government service delivery to indigenous communities;*
 - c) *should Point 1 be addressed to the local government's satisfaction, funding is requested to be provided to implement the cost and scope study of the remaining indigenous communities not covered by the CAMMS costing and scoping study; and*
 - d) *they advise other local governments with indigenous communities, the Department of Local Government and the WA Local Government Association of this decision.*

CARRIED

COMMENT:

The provision of services to aboriginal communities is, in itself, not the issue, it is the lack of funding to provide the services. Neither the Federal nor the State Governments have indicated where the funding is coming from.

The CAMMS report identifies some \$97m of capital expenditure required in the first instance across ten aboriginal communities in the goldfields region. This is obviously way beyond local government's capacity to deliver.

Accordingly WALGA and GVROC have taken the position that until higher levels of government guarantee initial and ongoing funding then local government will not participate in this program. Hence the GVROC resolution as shown above.

CONSULTATION:

Shire President, GVROC

STATUTORY ENVIRONMENT:

N/A

POLICY IMPLICATIONS:

N/A

FINANCIAL IMPLICATIONS:

Nil at this stage.

VOTING REQUIREMENTS:

OFFICERS RECOMMENDATION – COUNCIL RESOLUTION NO: 131

MOVED Cr P.J. Twigg

SECONDED Cr J.A. Dwyer

That Council adopt the GVROC resolution as shown at points 1) to 2d) under background above.

Carried 6/0

SUBMISSION TO:	Ordinary Meeting of Council – 30th March 2012
LOCATION:	Shire of Menzies
APPLICANT:	
FILE REF:	T/4/1
DISCLOSURE OF INTEREST:	Nil
DATE:	29 th March 2012
AUTHOR:	Kim Hastie, Acting Chief Executive Officer
SIGNATURE OF AUTHOR:	
SENIOR OFFICER:	Kim Hastie, Acting Chief Executive Officer
SIGNATURE OF SENIOR OFFICER:	

SUMMARY:

That Council determine the level of involvement and funding to be allocated to this year's Goldfields Cyclclassic

BACKGROUND:

The 2012 Goldfields Cyclclassic will be held on 2nd and 3rd June 2012.

COMMENT:

Councillors are aware that this is a significant event on the local and regional calendar. In the past The Shire has provided support for this event.

The Shire President and the A/CEO have met with the representative of the Eastern Goldfields Cycle Club to discuss the Shire of Menzies support.

CONSULTATION:

Shire President and Eastern Goldfields Cycle Club.

STATUTORY ENVIRONMENT:

N/A

POLICY IMPLICATIONS:

N/A

N/A

FINANCIAL IMPLICATIONS:

To be determined by Council.

VOTING REQUIREMENTS:

Simple Majority.

OFFICERS RECOMMENDATION – COUNCIL RESOLUTION NO: 132

MOVED Cr J.A. Dwyer

SECONDED Cr P.J. Twigg

That the Shire of Menzies supports the 2012 Goldfields Cyclclassic to the extent of:

1. Prizemoney towards the Menzies Cyclclassic of \$10,000.00 (Ten Thousand Dollars).
2. Donation to the Goldfields Cycle Club of \$10,000 (Ten Thousand Dollars).
3. Underwrite the Menzies Carnival to the value of \$20,000 (Twenty Thousand Dollars) to include a Sunday Morning Community Breakfast

Carried 6/0

SUBMISSION TO:	Ordinary Meeting of Council – 30 th March 2012
LOCATION:	Shire of Menzies
APPLICANT:	
FILE REF:	B/1/6
DISCLOSURE OF INTEREST:	Nil
DATE:	27 th March 2012
AUTHOR:	C. McAllan, Deputy Chief Executive Officer
SIGNATURE OF AUTHOR:	
SENIOR OFFICER:	Kim Hastie, Acting Chief Executive Officer
SIGNATURE OF SENIOR OFFICER:	

SUMMARY:

To inform Council of 3 new Term Deposits made on behalf of the Shire of Menzies

BACKGROUND:

It is the responsibility of the Deputy Chief Executive Officer to monitor the finances of the Shire. As there has been no major capital undertakings in the 2011/2012 financial year, the Municipal Bank Account is in credit for a large amount.

This was brought to the attention of the Acting Chief Executive Officer.

COMMENT:

Delegation No: 0043 states that the Chief Executive Officer may invest surplus Council Funds as long as it is with the National Australia Bank in Kalgoorlie and as long as it complies with the Local Government Act 1995 and Regulations.

Council Policy No: 3.9 also allows the Chief Executive Officer to invest monies not required for immediate need in short term interest bearing deposits as long as there are sufficient operating funds to offset day to day expenses. The Chief Executive Officer must prepare a monthly report to be presented to Council showing details of previous month's transactions.

The following have been activated:

No: 1 Term Deposit - \$350,000.00 invested for one month at an interest rate of 4.7%

No: 2 Term Deposit - \$500,000.00 invested for two months at an interest rate of 5.0%

No: 3 Term Deposit - \$500,000.00 invested for three months at an interest rate of 5.5%

CONSULTATION:

Kim Hastie, Acting Chief Executive Officer.
Chris Paterson, National Australia Bank

STATUTORY ENVIRONMENT:

Shire of Menzies Delegation No: 0043
Policy No: 3.9

POLICY IMPLICATIONS:

This complies with Policy No: 3.9

FINANCIAL IMPLICATIONS:

Extra Income for the Shire

VOTING REQUIREMENTS:

Simple Majority.

OFFICERS RECOMMENDATION – COUNCIL RESOLUTION NO: 133

MOVED Cr J.A. Dwyer

SECONDED Cr P.J. Twigg

That Council note that three new Term Deposits as above have been opened at the National Australia Bank in Kalgoorlie as these funds are not needed at the present time.

Carried 6/0

SUBMISSION TO:	Ordinary Meeting of Council – 30 th March 2012
LOCATION:	Shire of Menzies
APPLICANT:	C. McAllan
FILE REF:	W/2/1
DISCLOSURE OF INTEREST:	Nil
DATE:	28 th March 2012
AUTHOR:	C. McAllan, Deputy Chief Executive Officer
SIGNATURE OF AUTHOR:	
SENIOR OFFICER:	Kim Hastie, Chief Executive Officer
SIGNATURE OF SENIOR OFFICER:	

SUMMARY:

To make a decision on the future use of the Catholic Church Building.

BACKGROUND:

Approximately 18 months ago the former Menzies Catholic Church was re-located from behind the Council depot to its current location in Shenton Street opposite the Tearooms/butcher shop building. The furniture from the building is stored in the Council depot along with the new glass louvres. The original aim was to make the area into a Memorial Park with a war memorial, the church, grassed area, seating etc for the public.

COMMENT:

The Chief Executive Officer has received an offer from Justin Lee who is the Community Development Officer for Midwest Employment and Economic Development Aboriginal Corporation (MEEDAC) to tidy up the building, including replacing the broken glass louvres with the ones purchased and re-instate the furniture. He is also suggesting that maybe at a later date, painting the building and restoration of furniture may be done.

The work would be done by the people participating in the Community Development Employment Program (CDEP). Justin is responsible for the CDEP activity in Leonora and Menzies in partnership with the Menzies Aboriginal Corporation.

CONSULTATION:

Kim Hastie, Acting Chief Executive Officer.
Justin Lee, MEEDAC

STATUTORY ENVIRONMENT:

Nil

POLICY IMPLICATIONS:

Nil

FINANCIAL IMPLICATIONS:

Nil

VOTING REQUIREMENTS:

Simple Majority.

OFFICERS RECOMMENDATION

MOVED:

SECONDED:

That Council:

Agree to the request to carry out a clean-up of the yard as a CDEP project to retain, refurbish the existing building and establish a Memorial Park.

COUNCIL RESOLUTION NO: 134

MOVED:Cr. J.A. Dwyer

SECONDED:Cr. P.J. Twigg

That Council:-

1. Retain and refurbish the old church as a community meeting hall and establish a memorial park at the front of the hall, and
2. Agree to the request to carry out a cleanup of the yard as a CDEP project.

SUBMISSION TO:	Ordinary Meeting of Council – 30 th March 2012
LOCATION:	Shire of Menzies
APPLICANT:	
FILE REF:	R/3/2
DISCLOSURE OF INTEREST:	Nil
DATE:	29 th March 2012
AUTHOR:	Kim Hastie, Acting Chief Executive Officer
SIGNATURE OF AUTHOR:	
SENIOR OFFICER:	Kim Hastie, Acting Chief Executive Officer
SIGNATURE OF SENIOR OFFICER:	

SUMMARY:

That Council authorise the inclusion of \$18,470 in the 2012/13 Budget for the purposes of establishment of a regional records management facility.

BACKGROUND:

Since December 2010 the GVROC Technical Officers Working Group has been developing the concept of a regional records management and archive facility based in Kalgoorlie-Boulder. The project has now developed to the point where the individual local governments in the region need to authorise the marginally additional funds required to allow the project to proceed.

Refer Attachment following this report.

COMMENT:

Records management is an ongoing concern for local government in terms of capacity and expertise.

The financial contribution required from the Shire of Menzies to this regional project is considered to be very good value.

CONSULTATION:

GVROC Technical Officers Working Group.

STATUTORY ENVIRONMENT:

Records management and associated tasks such as retention, archives and destruction is encased with considerable legislation and has become a career professional activity.

POLICY IMPLICATIONS:

N/A

FINANCIAL IMPLICATIONS:

The Attachment to this report identifies that The initial capital set up costs will be met by \$1m from CLGF and \$77,000 from member Councils.

Additionally the ongoing operating costs will need to be shared by member Councils. At this stage the sharing formula is yet to be determined however in the "worst case" scenario the cost to the Shire of Menzies will be \$18,470 in the first year and diminishing in subsequent years as the business grows.

VOTING REQUIREMENTS:

Simple majority.

MOVED Cr I.R. Tucker

SECONDED Cr J.A. Dwyer

That Council authorise the inclusion of \$18,470 in the 2012/13 budget as the Shire of Menzies first year share of the costs of establishing and running the regional records management facility.

Carried 6/0

Archives and Records Management and Storage Facility

Background

December 2010	Business Case, as prepared by ACIL Tasman was endorsed by the GVROC and forwarded to the Department Regional Development and Lands (DRDL)
March 2011	Correspondence received from DRDL requesting a Demand Analysis be completed and other further information be provided.
April 2011	<p>The GVROC considered the correspondence received from DRDL and passed the following resolution:</p> <p><i>That the GVROC Council:</i></p> <ol style="list-style-type: none"><i>1. conduct a demand survey to establish the need for a regional archives, records management and storage facility within the Goldfields Esperance region;</i><i>2. commit funds of up to \$40,000 from its own resources to fund the employment of consultants to undertake the demand survey;</i><i>3. request that that City of Kalgoorlie-Boulder coordinate the development of an Expression of Interest to be used in engaging suitably qualified consultants to undertake the demand survey; and</i><i>4. delegate authority to the Technical Officers Working Group to:</i><ol style="list-style-type: none"><i>a) finalise the Expression of Interest to be used in engaging suitably qualified consultants to undertake the demand survey; and</i><i>b) engage suitably qualified consultants to conduct the demand survey providing the cost does not exceed \$40,000.</i> <p>Meetings held with GEDC regarding timing and access to funds. GEDC agreed to contribute \$10,000 towards the costs of the Demand Analysis.</p>
May 2011	ACIL Tasman engaged to undertake the Demand Analysis for \$12,100. GEDC advise they can fund the full cost due to interest accruing on their funds.
August 2011	<p>Demand Analysis completed. Copies forwarded to Helen Westcott for distribution and to GEDC.</p> <p>Demand Analysis and further information forwarded to DRDL.</p>
September 2011	Financial Assistance Agreement between GVROC and DRDL prepared. Copy signed by GVROC members on Friday 30 September and submitted to DRDL.

Capital Budget

The correspondence received from DRDL in March 2011 advised that the Transport Van, Bins, other miscellaneous equipment, and software establishment and training are disallowed items under the CLGF Guidelines. In order for the project to be approved for funding the Budget needed to be amended accordingly and the Budget that was approved by DRDL is as follows:

Item of Expenditure	Item Cost (\$)	Source of Funds (Specify Regional Group CLGF, Recipient, name of other sources and the amount of funding from each source)
Planning expenses	108,000	CLGF
Building (approx 500 sqm)	770,000	CLGF
Transport Van	45,000	GVROC
Shelving	55,000	CLGF
Commercial business plan contract	33,000	CLGF
Bins & Miscellaneous equipment	20,000	GVROC
Operational establishment (Telecommunications systems, signage, security systems etc)	11,000	CLGF
Software establishment & training	12,000	GVROC
Other (modifications to the storage area e.g. air conditioning)	23,000	CLGF
Total Regional Group CLGF Funding	1,000,000	
Total Recipient Funding	77,000	
Total Other Funding		
Total Cost	1,077,000	

Operating Budget

The Business Case for this project included the following indicative operating costs:

Indicative Operating Costs

Labour (including on-costs)	205,000
Maintenance	15,500
Software licence fee	2,200
Utilities	10,000
Other materials	10,000
Administration recovery charge	10,000
Total	\$ 252,700

The Business case includes the following two scenarios:

Scenario One

Recovering both the operational cost and providing an appropriate return on the investment of project capital from the CLGF, as well as the participating local government's share of the operational losses in the initial period of operation.

Year one	operating loss \$75,000
Year two	break even
Year three	small surplus
Year four	from year 4 onwards the facility provides a return that justifies the capital investment. The number of boxes and estimated rate of return are:
3%	34,700 boxes
5%	37,600 boxes
7%	41,000 boxes

Scenario Two

Recovering just the operational cost and capital provided by the participating local governments as part of the operational losses in the initial period of operation.

Year one	operating loss \$75,000
Year two	operating loss \$19,000
Year three	small surplus
Year four	from year 4 onwards the facility provides a return that covers operational costs and provides a return to the local governments for the funds provided in the initial years. The number of boxes and estimated rate of return are:
	3% 30,600 boxes
	5% 31,000 boxes
	7% 31,000 boxes

The Demand Analysis found that it would be reasonable to expect the facility to attract approximately 5,000 to 6,000 boxes at inception which could be expected to grow steadily to more than 10,000 boxes within 2 to 3 years. 4,000 of these boxes are from one company, being KCGM.

The facility requires approximately 30,000 boxes to break even (approx \$8 per box p/a) under the structure proposed in the Business Case.

Given that KCGM use of the facility would be almost entirely for archive storage the income received from their 4,000 boxes could be less than \$20,000 per annum ($\$4.68 \times 4,000 = \$18,720$).

Assuming a total of 10,000 boxes with 4,000 from KCGM and 6,000 from other sources ($6,000 \times \$8 = \text{approx } \$48,000 \text{ income}$), total income at year three could be estimated at approximately \$67,000.

The income in the first year will be approximately \$20,000, increasing to approximately \$67,000 after three years. The indicative annual operating costs, as identified in the Business Case, is \$252,700.

Staffing costs could be reduced by utilising City of Kalgoorlie Boulder staff, charged out on a cost recovery basis, however in order for the facility to attract and retain business a quality service must be provided which can only be achieved with available, competent and appropriately trained staff. At least one staff member must be available during normal business hours and accordingly we will require more than one staff member so that periods of leave can be covered.

The GVROC needs to determine how the costs of the capital expenditure not included in the CLGF Financial Assistance Agreement will be funded (\$77,000) and how the expected operating losses will be funded.

The \$108,000 Planning Expenses included in the Budget being funded by the CLGF is to engage consultants involved with the Hunter Valley facility to assist with the start up of the Goldfields Facility. It is intended that their expertise and experience be engaged to advise of appropriate management and operating guidelines and with the purchase and training of computer hardware and software and fit out of the facility to ensure compliance with relevant records storage best practice.

Projected Operating Income & Expenditure					
	<u>Year One</u>	<u>Year Two</u>	<u>Year Three</u>	<u>Year Four</u>	<u>Year Five</u>
Income	<u>20,000</u>	<u>43,500</u>	<u>67,000</u>	<u>90,000</u>	<u>120,000</u>
<u>Expenditure</u>					
Labour (including on-costs)	80,000	88,000	96,000	104,000	112,000
Maintenance	15,500	16,000	17,000	18,000	19,000
Software Licence Fee	2,200	2,300	2,400	2,500	2,700
Utilities	10,000	10,500	11,000	11,500	12,500
Other materials	10,000	10,500	11,000	11,500	12,500
Admin recovery charge	10,000	10,500	11,000	11,500	12,500
	<u>127,700</u>	<u>137,800</u>	<u>148,400</u>	<u>159,000</u>	<u>171,200</u>
Operating Profit / Loss	- 107,700	- 94,300	- 81,400	- 69,000	- 51,200
Capital Expenditure (ROC)	77,000				
Total required to be funded by ROC	<u>184,700</u>	<u>94,300</u>	<u>81,400</u>	<u>69,000</u>	<u>51,200</u>
If shared equally by 10 members	<u>18,470</u>	<u>9,430</u>	<u>8,140</u>	<u>6,900</u>	<u>5,120</u>
<u>If shared based on population</u>					
Coolgardie	18,680	9,537	8,233	6,979	5,178
Dundas	3,440	1,756	1,516	1,285	954
Esperance	46,701	23,843	20,582	17,446	12,946
Kalgoorlie Boulder	95,605	48,812	42,134	35,716	26,502
Laverton	2,335	1,192	1,029	872	647
Leonora	5,153	2,631	2,271	1,925	1,428
Menzies	1,137	580	501	425	315
Ngaanyatjarraku	6,013	3,070	2,650	2,246	1,667
Ravensthorpe	4,348	2,220	1,916	1,624	1,205
Wiluna	1,288	658	568	481	357
	<u>184,700</u>	<u>94,300</u>	<u>81,400</u>	<u>69,000</u>	<u>51,200</u>

Building Asset

The funding received includes \$770,000 for the purchase of a suitable building to be used for the storage of records and archives. Suitable buildings will be considered in Kalgoorlie

This building asset and the plant & equipment will become the property of the GVROC and accordingly the GVROC needs to agree on an ownership structure and how the losses in the early years and future profits will be distributed among participating local governments.

10. ELECTED MEMBERS MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil

10.1 ELECTED MEMBERS MOTIONS WITH PREVIOUS NOTICE

Nil

10.2 CONFIDENTIAL BUSINESS TO BE HELD BEHIND CLOSED DOORS

Nil

11 REPORTS OF COUNCILLORS AND STAFF

Cr. C. Bennell:

Attended Councillor Training in Perth and as part of this attended a Council meeting at City of Gosnells.

Cr Dwyer J:

No report.

Cr E. Hansen:

Attended Councillor Training in Perth and as part of this attended a Council meeting at Shire of Kalamunda.

Cr. P.J. Twigg:

No Report.

Cr. I.R. Tucker:

Attended Councillor Training in Perth and as part of this attended a Council meeting at City of Belmont.

Cr. G. Dwyer:

*Attended a National Broadband Network meeting.
Attended a Community Resource Centre meeting.
Attended the Launch of the Goldfields Cyclclassic.*

Chief Executive Officer:

No Report.

12. NEXT MEETING / MEETING CLOSURE

The next meeting is scheduled for 10.00am on Tuesday 24th April 2012.

Councillors C. Bennell, E. Hansen and P.J. Twigg requested permission to attend the meeting on Tuesday 24th April by Instantaneous Communication

MOVED: Cr. I.R. Tucker

SECONDED: J.A. Dwyer

That Councillor's C. Bennell, E. Hansen and P.J. Twigg be granted permission to attend the meeting on Tuesday 24th April by Instantaneous Communication.

Carried 6/0

There being no further business to discuss, the President declared the meeting closed at: 4.28pm.