

Shire of Menzies



MINUTES

**MINUTES OF THE ORDINARY
COUNCIL MEETING HELD ON
FRIDAY 16 FEBRUARY 2007, AT THE
COUNCIL CHAMBERS, MENZIES**



Take a look around!

COMMENCING AT 9.15 am

1 DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS

The Shire President welcomed all elected members and declared the meeting open at 9.15 am.

He also extended a warm welcome to the visitors.

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

Present:	Cr S Tonkin Cr A Kelly Cr I Tucker Cr K Purchase Cr I McGregor Cr J Dwyer	Shire President Deputy President Member Member Member Member
Staff:	Mr P Crawford Mr B Pepper	Chief Executive Officer Deputy Chief Executive Officer
Apologies	Cr P Kennedy	Member
Leave of Absence	Nil	
Visitors	Mr Greg Dwyer Ms Laura Dwyer Mrs Robyn McCarthy	Resident Resident Old Miners Cottage Crafts

3 PUBLIC QUESTION TIME

Mr Greg Dwyer:

Asked about the sealing program for Kookynie Road, the President advised that the sealing works are scheduled to be completed in this financial year

Asked about the status of Donkey Rocks Road, the President advised that the Grants Commission have indicated that they will be withdrawing funding for this road as it duplicates an existing road. At this point, Council will adopt a wait and see policy.

Asked about Council representation at Kookynie & Tjuntjuntjara with regard to the ward review. President and CEO advised that the matter is still with the Minister for his deliberation.

Mrs Robyn McCarthy:

Ms McCarthy presented the President with a collage that she had been commissioned to prepare. She thanked Council for the opportunity to display her craft with the

knowledge that it would be on display in the Council Chambers for a long period of time. The President extended Council's appreciation for the magnificent artwork.

The President thanked the visitors for their interest and invited them to stay for the remainder of the meeting.

4 APPLICATIONS FOR LEAVE OF ABSENCE

Nil

5 ANNOUNCEMENTS BY PRESIDENT WITHOUT DISCUSSION

- Attended the Kookynie public meeting that discussed the proposed community building, 11 people attended, it was felt that there had been a lack of communication from shire to community regarding this building. A request was made to the CEO to prepare an agenda item for the next meeting regarding the need for the community building.
- GEDC meeting – change act to be a land investor, public transport, indigenous training for mining, cycle race, transport upgrade – railway.
- Northern Goldfields Transport – Goldrush to continue service until 30 June 2007. other avenues may be open, suggestion that the Health Dept be involved to relieve the pressure.
- RPA Goldfields Indigenous working groups working with DOIR to train Aboriginal people for the mining industry
- Menzies cycle classic, clashes with Leonora foot race. Would Menzies community be interested in more involvement?
- Goldfields Esperance Transport upgrade project – rail cargo expected to double by 2020, 80% of all freight to WA will be by rail.

COUNCIL DECISION

ITEM 5

Moved Cr McGregor

Seconded Cr Dwyer

That the Presidents Report as presented be received.

Carried 6 / 0

Mr Derek Foster, the Project Manager for Regal Resources arrived at 9.43am to update Council on Regal's activities in Menzies. The company is confident of being in the region for a few years with the resources that they have discovered.

Mr Foster then left the Meeting at 9.53 am.

6.1 MINUTES OF ORDINARY MEETING OF COUNCIL 15 DECEMBER 2006

COUNCIL DECISION

ITEM 6.1

MOVED Cr McGregor

SECONDED Cr Kelly

That the minutes of the Ordinary Meeting held on Friday 15 December 2006 as previously circulated be confirmed as a true and accurate record.

CARRIED 6 / 0

6.2 MINUTES OF THE ANNUAL MEETING OF ELECTORS, HELD FRIDAY, 15th DECEMBER 2006
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COUNCIL DECISION

ITEM 6.2

MOVED Cr Dwyer

SECONDED Cr Kelly

That the minutes of the Annual Meeting of Electors, held Friday, 15th December 2006 as previously circulated be confirmed as a true and accurate record.

CARRIED 6 / 0

6.3 MINUTES OF THE SPECIAL MEETING, HELD FRIDAY, 23 JANUARY 2007

COUNCIL DECISION

ITEM 6.3

MOVED Cr Dwyer

SECONDED Cr Purchase

That the minutes of the Special Meeting, held Friday, 23 January 2007 as previously circulated be confirmed as a true and accurate record.

Carried 6 / 0

Mr Garth Walter, regional manager for the Water Corporation arrived at the meeting at 9.58 am and the President invited him to address the meeting on water concerns for the Menzies townsite. Mr Walters then gave Council a brief history of the water desalination plant project and the future of the Menzies water supply. Mr Walters then answered questions from Council.

Mr Walters address concluded at 10.58 am. The President then thanked Mr Walters and invited him to stay for the remainder of the meeting and join Council at lunch.

The President then invited Mr Dwyer to make a comment regarding the proposed community building at Kookynie.

Mr Dwyer gave Council some background on the amount of support from the Kookynie community for the building as well as the number of sponsors who had promised material support for the project.

He had inspected the building with the Health / Building Surveyor who had not raised any objections to the structure of the building.

The President then thanked Mr Dwyer for his presentation and Mr Dwyer and Ms Dwyer then left the Chambers at 10.59 am.

7.1 STATUS REPORT TO 31 JANUARY 2007

COUNCIL DECISION / OFFICER RECOMMENDATION ITEM 7.1

Moved Cr Tucker

Seconded Cr McGregor

That the Status Report to 31 January 2007 be received.

Carried 6 / 0

The CEO commented on various issues contained in the Status Report.

8. FINANCIAL REPORTS

8.1 Financial Statements to 31 December 2006

SUBMISSION TO: Ordinary Meeting of Council Friday,
19 February 2007
LOCATION: Menzies
APPLICANT: N/A
FILE REF: 103a
DISCLOSURE OF INTEREST: None
DATE: 5 February 2007
AUTHOR: Brad Pepper, Deputy Chief Executive Officer
SIGNATURE OF AUTHOR:
SENIOR OFFICER: Peter Crawford, Chief Executive Officer
SIGNATURE OF SENIOR OFFICER:

BACKGROUND:

The Financial Reports (AAS27) are presented monthly, generated by our off-site Accountants, Haines Norton and printed in our office.

COMMENT:

Included in these Financial Reports, (which are an equivalent of a quarterly financial report) is a rates report and a report on reserves funds

CONSULTATION:

Ms Mandy Wynne, Haines Norton.

STATUTORY ENVIRONMENT: As per Local Government (Financial Management) Regulations 1996 Regulation 34 (i) (e)

POLICY IMPLICATIONS: None

FINANCIAL IMPLICATIONS: Reporting on Financial Activity

VOTING REQUIREMENTS: Simple Majority required

COUNCIL DECISION / OFFICER RECOMMENDATION	ITEM 8.1
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Moved Cr Dwyer

Seconded Cr Tucker

That the Financial Statements to 31 December 2006 as presented, be adopted

Carried 6 / 0

8.2	Accounts for Payment – December 2006
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SUBMISSION TO: Ordinary Meeting of Council Friday,
19 February 2007

LOCATION: Menzies

APPLICANT: N/A

FILE REF: 103

DISCLOSURE OF INTEREST: None

DATE: 5 February 2007

AUTHOR: Brad Pepper, Deputy Chief Executive Officer

SIGNATURE OF AUTHOR:

SENIOR OFFICER: Peter Crawford, Chief Executive Officer

SIGNATURE OF SENIOR OFFICER:

BACKGROUND:

Cheque numbers 4151 to 4212 and bank statement transfers totalling \$203,182.61 are presented for payment as per the submitted lists.

COMMENT:

An Error was made on Cheque Number 4166 which has been made void and can no longer be used. A copy is attached.

CONSULTATION:

Ms Mandy Wynne, Haines Norton

STATUTORY ENVIRONMENT: Local Government (Financial Management)
Regulations 1996 Regulation 13(2)

POLICY IMPLICATIONS: All signing of cheques were carried out as per Policy 3.8.
(All amounts over \$15,000 were counter signed by a Council Member).

FINANCIAL IMPLICATIONS: Reduction to the Municipal Fund Balance

VOTING REQUIREMENTS: Simple Majority required

COUNCIL DECISION / OFFICER RECOMMENDATION	ITEM 8.2
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Moved Cr Kelly

Seconded Cr McGregor

That cheques numbered 4151 to 4212 and direct bank payments totalling \$203,182.61 which have been paid by the Chief Executive Officer under delegated authority, be adopted.

Carried 6 / 0

8.3	Inter-Account Transfer of Funds – December 2006
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SUBMISSION TO: Ordinary Meeting of Council Friday,
19 February 2007
LOCATION: Menzies
APPLICANT: N/A
FILE REF: 103a
DISCLOSURE OF INTEREST: None
DATE: 5 February 2007
AUTHOR: Brad Pepper, Deputy Chief Executive Officer
SIGNATURE OF AUTHOR:
SENIOR OFFICER: Peter Crawford, Chief Executive Officer
SIGNATURE OF SENIOR OFFICER:

SUMMARY:

This item is to advise Council of the Inter Account Transfer of Funds for the month of December 2006.

BACKGROUND:

The Chief Executive Officer is currently delegated authority to invest funds into interest bearing accounts under Delegation 043 – Investments and Policy No 3.9 Investments details the reporting requirements

COMMENT:

On the 21 December 2006 the Municipal Trading Account balance was \$119,895.73 and with \$203,182.61 worth of cheques being written out the account was in need of funds. With this being the case \$150,000.00 was transferred from the Sweeper Account into the Municipal Account.

Attached are the supporting documents for that transaction.

CONSULTATION:

Chief Executive Officer – Peter Crawford

STATUTORY ENVIRONMENT: As per Local Government (Financial Management) Regulations 1996 Regulation 19

19. Management of investments

(1) A local government is to establish and document internal control procedures to be followed by employees to ensure control over investments.

(2) The control procedures are to enable the identification of —

(a) the nature and location of all investments; and

(b) the transactions related to each investment.

POLICY IMPLICATIONS:

Policy No. 3.9 - INVESTMENTS

The Chief Executive Officer be authorised to invest monies, not required for immediate need, in short term interest bearing deposits, thereby securing the best advantage to Council. This action should be cognisant of the need to ensure that sufficient operating funds are available to offset day to day expenses.

The Chief Executive Officer is to prepare a monthly report to be presented to Council showing details of all previous month's transactions including:

a) place of investment

b) term of investment

c) interest rate

d) name of funds invested (eg. municipal, sweeper, reserve, trust)

FINANCIAL IMPLICATIONS: Reporting on Financial Activity

VOTING REQUIREMENTS: Simple Majority required

COUNCIL DECISION / OFFICER RECOMMENDATION	ITEM 8.3
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Moved Cr Kelly

Seconded Cr Dwyer

That Council receive the above report detailing Inter Account Transfer of Funds for the month of December 2006.

Carried 6 / 0

8.4	Investments – January 2007
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SUBMISSION TO: Ordinary Meeting of Council Friday,

19 February 2007

LOCATION: Menzies

APPLICANT: N/A

FILE REF: 103a

DISCLOSURE OF INTEREST: None
DATE: 5 February 2007
AUTHOR: Brad Pepper, Deputy Chief Executive Officer
SIGNATURE OF AUTHOR:
SENIOR OFFICER: Peter Crawford, Chief Executive Officer
SIGNATURE OF SENIOR OFFICER:

SUMMARY:

This item is to advise Council of the investment transaction for the month of January 2007.

BACKGROUND:

The Chief Executive Officer is currently delegated authority to invest funds into interest bearing accounts under Delegation 043 – Investments and Policy No 3.9 Investments details the reporting requirements

COMMENT:

The Reserve funds currently invested with the National Bank matured on 3 January 2007.

The total of the funds invested were \$1,263,608.88 which accumulated an amount of interest on maturity of \$19,099.54 giving an investment total of \$1,282,708.42

The following transaction has been actioned on 3 January 2007:

Place of investment	National Bank
Term of investment	90 days (Mature 3 April 2007)
Interest rate	6.37%pa
Name of funds invested	Reserve Account
Amount	\$1,282,708.42

CONSULTATION:

None

STATUTORY ENVIRONMENT: As per Local Government (Financial Management) Regulations 1996 Regulation 19

19. Management of investments

(1) A local government is to establish and document internal control procedures to be followed by employees to ensure control over investments.

(2) The control procedures are to enable the identification of —
(a) the nature and location of all investments; and
(b) the transactions related to each investment.

POLICY IMPLICATIONS:

Policy No. 3.9 - INVESTMENTS

The Chief Executive Officer be authorised to invest monies, not required for immediate need, in short term interest bearing deposits, thereby securing the best advantage to Council. This action should be cognisant of the need to ensure that sufficient operating funds are available to offset day to day expenses.

The Chief Executive Officer is to prepare a monthly report to be presented to Council showing details of all previous month's transactions including:

- c) place of investment*
- d) term of investment*
- c) interest rate*
- d) name of funds invested (eg. municipal, sweeper, reserve, trust)*

FINANCIAL IMPLICATIONS: Reporting on Financial Activity

VOTING REQUIREMENTS: Simple Majority required

COUNCIL DECISION / OFFICER RECOMMENDATION	ITEM 8.4
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Moved Cr Kelly

Seconded Cr Dwyer

That Council receive the above report detailing investment transactions for the month of January 2007.

Carried 6 / 0

8.5	Financial Statements to 31 January 2007
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SUBMISSION TO: Ordinary Meeting of Council Friday,
19 February 2007

LOCATION: Menzies

APPLICANT: N/A

FILE REF: 103a

DISCLOSURE OF INTEREST: None

DATE: 6 February 2007

AUTHOR: Brad Pepper, Deputy Chief Executive Officer

SIGNATURE OF AUTHOR:

SENIOR OFFICER: Peter Crawford, Chief Executive Officer

SIGNATURE OF SENIOR OFFICER:

BACKGROUND:

The Financial Reports (AAS27) are presented monthly, generated by our off-site Accountants, Haines Norton and printed in our office.

COMMENT:

Included in these Financial Reports, (which are an equivalent of a quarterly financial report) is a rates report and a report on reserves funds

CONSULTATION:

Ms Mandy Wynne, Haines Norton.

STATUTORY ENVIRONMENT: As per Local Government (Financial Management) Regulations 1996 Regulation 34 (i) (e)

POLICY IMPLICATIONS: None

FINANCIAL IMPLICATIONS: Reporting on Financial Activity

VOTING REQUIREMENTS: Simple Majority required

COUNCIL DECISION / FFICER RECOMMENDATION	ITEM 8.5
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Moved Cr Kelly

Seconded Cr Tucker

That the Financial Statements to 31 January 2007 as presented, be adopted

Carried 6 / 0

8.6	Accounts for Payment – January 2007
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SUBMISSION TO: Ordinary Meeting of Council Friday,
19 February 2007

LOCATION: Menzies

APPLICANT: N/A

FILE REF: 103

DISCLOSURE OF INTEREST: None

DATE: 6 February 2007

AUTHOR: Brad Pepper, Deputy Chief Executive Officer

SIGNATURE OF AUTHOR:

SENIOR OFFICER: Peter Crawford, Chief Executive Officer

SIGNATURE OF SENIOR OFFICER:

BACKGROUND:

Cheque numbers 4213 to 4263 and bank statement transfers totalling \$190,972.04 are presented for payment as per the submitted lists.

COMMENT:

Nil

CONSULTATION:

Ms Mandy Wynne, Haines Norton

STATUTORY ENVIRONMENT: Local Government (Financial Management) Regulations 1996 Regulation 13(2)

POLICY IMPLICATIONS: All signing of cheques were carried out as per Policy 3.8.
(All amounts over \$15,000 were counter signed by a Council Member).

FINANCIAL IMPLICATIONS: Reduction to the Municipal Fund Balance

VOTING REQUIREMENTS: Simple Majority required

COUNCIL DECISION / OFFICER RECOMMENDATION	ITEM 8.6
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Moved Cr Tucker

Seconded Cr Kelly

That cheques numbered 4213 to 4263 and direct bank payments totalling \$190,972.04 which have been paid by the Chief Executive Officer under delegated authority, be adopted.

Carried 6 / 0

9. WORKS REPORT

9.1 Works Supervisors Report

9.1.1 Roadworks and General Report

SUBMISSION TO: Ordinary Meeting of Council, Friday
16 February 2007
LOCATION: Menzies Shire
APPLICANT: N/A
FILE REF: 405a
DISCLOSURE OF INTEREST: None
DATE: 7 February 2007
AUTHOR: Quenton Senior, Works Supervisor
SIGNATURE OF AUTHOR:
SENIOR OFFICER: Peter Crawford, Chief Executive Officer
SIGNATURE OF SENIOR OFFICER:

SUMMARY:

After the January rains, some of the roads were damaged, mainly creek crossings.

We used Breakaway Earthmoving to grade the bad section on the eastern side of the Shire. They have also put 2 x costeens in at the rubbish tip, one for tyres and one for asbestos.

Similar excavations have also been put in at the Kookynie tip. The signs for these pits have arrived and will be erected this week.

Garry Miller has graded the bad sections on the west side and is now grading the Menzies / North West Road.

Veolia is starting next week cleaning grids on the Yarri Kookynie Road.

Jeff Tichborne has resigned from the Shire.

The road crew is carting dirt to the rubbish tip and covering the rubbish plus tidying up the area.

The Komatsu loader 180 is in Kalgoorlie having the bucket repaired.

The Komatsu loader 250 has been serviced, the air conditioner repaired and has had a general tidy up at Komatsu in Kalgoorlie.

The Mack truck has had it's 10,000 service by Bradver, the Isuzu has been serviced by us.

We carted water out to the fire at Mt. Elvira for C.A.L.M last week end.

The outside staff are doing training courses with Down to Earth Training and Assessment this week.

STATUTORY ENVIRONMENT: As per Sections 2.7 and 3.1 of the Local Government Act 1995 relating to General Functions provisions.

POLICY IMPLICATIONS: None

FINANCIAL IMPLICATIONS: None

VOTING REQUIREMENTS: Simple Majority required

COUNCIL DECISION / OFFICER RECOMMENDATION	ITEM 9.1.1
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Moved Cr McGregor

Seconded Cr Dwyer

That the Works Supervisors report, as tabled, be received

Carried 6 / 0

11. Chief Executive Officer's Report.

11.1	Access Road to Mt Menzies
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SUBMISSION TO: Ordinary Meeting of Council Friday,
16 February 2007
LOCATION: Menzies
APPLICANT: N/A
FILE REF: 120
DISCLOSURE OF INTEREST: None
DATE: 24 January 2006
AUTHOR: Peter Crawford, Chief Executive Officer
SIGNATURE OF AUTHOR:

SUMMARY:

This Item is to present Council with costing and funding information involved in providing an access road to the top of Mt Menzies

BACKGROUND:

At the Ordinary Meeting of Council held Friday, 21 July 2006, the CEO was requested to gain a costing and explore what avenues may be available to access funding to provide a road to the top of Mt Menzies.

COMMENT:

The costing to provide an access road to the top of Mt Menzies has been provided by Council's consultant, Mr Duncan Jack and is attached.

Enquiries made through MR WA as regards access to Regional Roads Group Funding was unsuccessful due to the fact that the road was to be of a new capital project and not currently in existence. Due to the fact that no data is available to support a submission, the MCA score for the project would be at the very bottom of any list of projects that would be submitted.

No other sources of grants applicable to the project is available of any substance without a huge contribution from Council. That contribution would be in the range of 90-95% of the total project costs.

As can be seen from the engineering estimate, the concept of constructing this road is cost prohibitive. Were we able to construct the road under perfect conditions and without any increase in costs and remove the contingency factor from the estimate, the road is still beyond the realms of justification for the Shire, a cost of approximately \$549 per lineal metre of road.

Added to this cost would be the resealing costs to be faced in 10 years time. With the small amount of traffic that would use the road, a reseal could not be stretched any further than that indicated period. Allowing for a modest annual increase in the price of bitumen of 4%, the resealing costs required in 10 years time would be in the range of \$266,400.

At this point, it is not feasible for the Shire of Menzies to contemplate proceeding any further with this idea as the demand on our annual roads budget would be impossible to concede to.

There is always the possibility that should a future mining venture be commissioned in the region with suitable heavy equipment, there could be scope for that company to contribute in a large way to in kind assistance with the road.

CONSULTATION:

Duncan J Jack Consulting Engineer, Main Roads Western Australia.

STATUTORY ENVIRONMENT: As per Sections 2.7 and 3.1 of the Local Government Act 1995 relating to General Functions provisions.

POLICY IMPLICATIONS: None

FINANCIAL IMPLICATIONS: None

VOTING REQUIREMENTS: Simple Majority required

COUNCIL DECISION / OFFICER RECOMMENDATION ITEM 11.1
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Moved Cr McGregor

Seconded Cr Kelly

That Council Resolve not to proceed any further with the proposal to construct a road to the top of Mt Menzies.

Carried 6 / 0

11.2 Model Purchasing Policy

SUBMISSION TO: Ordinary Meeting of Council Friday,
16 February 2007
LOCATION: Menzies
APPLICANT: N/A
FILE REF: 408
DISCLOSURE OF INTEREST: None
DATE: 29 January 2007
AUTHOR: Peter Crawford, Chief Executive Officer
SIGNATURE OF AUTHOR:

SUMMARY:

This Item is to present Council with a proposed new Purchasing Policy for goods and services of a value under \$100,000.

BACKGROUND:

The current Local Government (Functions and General) Regulations 1996 requires Local Governments to advertise for the provision of goods and services when the value of such supplies is expected to exceed the \$50,000 threshold.

COMMENT:

New amendments to the purchasing requirements of the Regulations, which will come into effect on 30 March 2007 will raise that threshold limit to \$100,000.

However, the Department of Local Government and Regional Development do require that Local Governments prepare and adopt a purchasing policy prior to exercising this new limit.

In anticipation of this requirement, Total Purchasing Solutions at WALGA have drafted up a set of guidelines that are acceptable to the Department (See attached).

These guidelines set out the relative thresholds that are to be adhered to, however, these guidelines are not user friendly to rural Local Governments that are remotely located.

As a consequence, the following changes are recommended to assist a Shire such as Menzies gaining the best possible achievements without creating a cost overhead factor that can have a serious affect on the resources of our organisation. On many occasions it is often not possible to obtain more than one quote for items where there is only one supplier in the region.

Amount of Purchase	Model Policy
Up to \$5,000	Direct purchase from suppliers requiring only two verbal quotes where applicable
\$5,001 - \$19,999	Obtain at least two verbal or written quotations.
\$20,000 - \$39,999	Obtain at least three written quotations
\$40,000 - \$99,999	Obtain at least three written quotations containing price and specification of goods and services (with procurement decision based on all value for money considerations).
\$100,000 and above	Conduct a public tender process.

The adoption of this policy threshold will assist the Shire of Menzies with their purchasing objectives. It will ensure that all purchases are conducted with a view to providing the best positive benefits for the Shire, while still compliant with the Regulations as required by the Department of Local Government.

CONSULTATION:

Andrew Blitz – WALGA Purchasing Solutions, Jenni Law – DLGRD.

STATUTORY ENVIRONMENT:

LOCAL GOVERNMENT ACT 1995 - SECT 3.57

Tenders for providing goods or services

3.57 . Tenders for providing goods or services

(1) A local government is required to invite tenders before it enters into a contract of a prescribed kind under which another person is to supply goods or services.

(2) Regulations may make provision about tenders.

***Local Government (Functions and General) Regulations
1996***

20/Jan/2006 - Current

Part 4-Tenders for providing goods or services (s 3 57)

11. Tenders to be invited for certain contracts

(1) Tenders are to be publicly invited according to the requirements of this Part before a local government enters into a contract for another person to supply goods or services if the consideration under the contract is, or is expected to be, more, or worth more, than \$50 000 unless subregulation (2) states otherwise.

POLICY IMPLICATIONS: Would be incorporated into the existing Policy Manual

FINANCIAL IMPLICATIONS: None

VOTING REQUIREMENTS: Simple Majority required

COUNCIL DECISION / OFFICER RECOMMENDATION	ITEM 11.2
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Moved Cr Tucker

Seconded Cr Dwyer

That Council Resolve to adopt the following Tender Threshold and Recording Procedures as part of the new Purchasing and Tender Policy for the Shire of Menzies:

Carried 6 / 0

1. PURCHASING THRESHOLDS

Where the value of procurement (excluding GST) for the value of the contract over the full contract period (including options to extend) is, or is expected to be:-

Amount of Purchase	Model Policy
Up to \$5,000	Direct purchase from suppliers requiring only two verbal quotes where applicable
\$5,001 - \$19,999	Obtain at least two verbal or written quotations.
\$20,000 - \$39,999	Obtain at least three written quotations
\$40,000 - \$99,999	Obtain at least three written quotations containing price and specification of goods and services (with procurement decision based on all value for money considerations).
\$100,000 and above	Conduct a public tender process.

Where it is considered beneficial, tenders may be called in lieu of seeking quotations for purchases under the \$100,000 threshold (excluding GST). If a decision is made to seek public tenders for Contracts of less than \$100,000, a Request for Tender process that entails all the procedures for tendering outlined in this policy must be followed in full.

1.1 Up to \$5,000

Where the value of procurement of goods or services does not exceed \$5,000, purchase on the basis of at least two verbal quotations is permitted. However it is recommended to use professional discretion and occasionally undertake market testing with a greater number or more formal forms of quotation to ensure best value is maintained.

This purchasing method is suitable where the purchase is relatively small and low risk.

Record keeping requirements must be maintained in accordance with record keeping policies. The Local Government Purchasing and Tender Guide contains a sample form for recording verbal quotations.

In the event that the required number of quotes can not be sourced, the matter must be reported to the Chief Executive Officer for a decision on further action. The subsequent decision must be recorded in line with record keeping policies.

1.2 \$5,001 to \$19,999

This category is for the procurement of goods or services where the value of such procurement ranges between \$5,001 and \$19,999.

At least two verbal or written quotations (or a combination of both) are required. Where this is not practical, e.g. due to limited suppliers, it must be noted through records relating to the process.

The general principles for obtaining verbal quotations are:

- Ensure that the requirement / specification is clearly understood by the Local Government employee seeking the verbal quotations.
- Ensure that the requirement is clearly, accurately and consistently communicated to each of the suppliers being invited to quote.
- Read back the details to the Supplier contact person to confirm their accuracy.
- Written notes detailing each verbal quotation must be recorded. +

Record keeping requirements must be maintained in accordance with record keeping policies. The Local Government Purchasing and Tender Guide contains sample forms for recording verbal and written quotations.

1.3 \$20,000 to \$39,999

For the procurement of goods or services where the value exceeds \$20,000 but is less than \$39,999, it is required to obtain at least three written quotes (commonly a sufficient number of quotes would be sought according to the type and nature of purchase).

The responsible officer is expected to demonstrate due diligence seeking quotes and to comply with any record keeping and audit requirements. Record keeping requirements must be maintained in accordance with record keeping policies.

NOTES: The general principles relating to written quotations are;

- An appropriately detailed specification should communicate requirement(s) in a clear, concise and logical fashion.
- The request for written quotation should include as a minimum:
 - Written Specification
 - Selection Criteria to be applied
 - Price Schedule
 - Conditions of responding
 - Validity period of offer
- Invitations to quote should be issued simultaneously to ensure that all parties receive an equal opportunity to respond.
- Offer to all prospective suppliers at the same time any new information that is likely to change the requirements.
- Responses should be assessed for compliance, then against the selection criteria, and then value for money and all evaluations documented.
- Respondents should be advised in writing as soon as possible after the final determination is made and approved.

The Local Government Purchasing and Tender Guide produced by the Western Australian Local Government Association (WALGA) should be consulted for further details and guidance.

1.2.1 \$40,000 to \$99,999

For the procurement of goods or services where the value exceeds \$40,000 but is less than \$99,999, it is required to obtain at least three written quotations containing price and a sufficient amount of information relating to the specification of goods and services being purchased.

The Local Government Purchasing and Tender Guide has a series of forms including a Request for Quotation Template which can assist with recording details. Record keeping requirements must be maintained in accordance with record keeping policies.

For this procurement range, the selection should not be based on price alone, and it is strongly recommended to consider some of the qualitative factors such as quality, stock availability, accreditation, time for completion or delivery, warranty conditions, technology, maintenance requirements, organisation's capability, previous relevant experience and any other relevant factors as part of the assessment of the quote.

11.3	Election of Audit Committee
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SUBMISSION TO:	Ordinary Meeting of Council Friday, 16 February 2007
LOCATION:	Menzies
APPLICANT:	N/A
FILE REF:	114
DISCLOSURE OF INTEREST:	None
DATE:	31 January 2007
AUTHOR:	Peter Crawford, Chief Executive Officer
SIGNATURE OF AUTHOR:	

SUMMARY:

This Item is to request Council to appoint an Audit Committee.

BACKGROUND:

Section 7.1(a) of the Local Government Act 1995 requires a Local Government to appoint an Audit Committee.

When the current Audit Committee was appointed at the Ordinary Meeting of Council on 20 May 2005, no voting was recorded of the appointment of the Committee or of a delegation of power to that Committee.

COMMENT:

Council is required to conform to the Act by appointing an Audit Committee and to delegate to that Committee, the powers of the Committee under the Act.

CONSULTATION:

Mr Darrell Forrest – DLGRD.

STATUTORY ENVIRONMENT:

Division 1A — Audit committee

[Heading inserted by No. 49 of 2004 s. 5.]

7.1A. Audit committee

(1) A local government is to establish an audit committee of 3 or more persons to exercise the powers and discharge the duties conferred on it.

(2) The members of the audit committee of a local government are to be appointed by the local government and at least 3 of the members, and the majority of the members, are to be council members.*

** Absolute majority required.*

7.1B. Delegation of some powers and duties to audit committees

(1) Despite section 5.16, the only powers and duties that a local government may delegate to its audit committee are any of its powers and duties under this Part other than this power of delegation.*

** Absolute majority required.*

POLICY IMPLICATIONS: None

FINANCIAL IMPLICATIONS: None

VOTING REQUIREMENTS: To the extent as indicated in the specific items.

OFFICER RECOMMENDATION	ITEM 11.3
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VOTING REQUIREMENTS: Simple Majority required.

Moved Cr Tucker

Seconded Cr A Kelly

(i) That Council Recommend the appointment of an Audit Committee

Carried 6/0

VOTING REQUIREMENTS: Absolute Majority required.

Moved Cr Dwyer

Seconded Cr Kelly

(ii) That the following Members;

Cr S Tonkin, Cr A Kelly, Cr K Purchase, Cr I Tucker, Cr P Kennedy,
Cr I McGregor and Cr J Dwyer

be appointed to the Audit Committee.

Carried 6/0

VOTING REQUIREMENTS: Absolute Majority required.

Moved Cr Tucker

Seconded Cr Kelly

(iii) That Council delegate to the Audit Committee, the powers and duties under Section 7.1(b) of the Act

Carried 6/0

11.4 Local Government Compliance Audit Return – 2006

SUBMISSION TO: Ordinary Meeting of Council Friday,
16 February 2007
LOCATION: Menzies Shire
APPLICANT: N/A
FILE REF: 200
DISCLOSURE OF INTEREST: None
DATE: 30 January 2007
AUTHOR: Peter Crawford, Chief Executive Officer
SIGNATURE OF AUTHOR:

SUMMARY:

This item is to advise Council of the requirement to submit the 2006 Local Government Compliance Audit Return.

BACKGROUND:

Each year, Council is required to complete and submit a Local Government Compliance Audit Return from 1 January to 31 December for the previous calendar year. This is a Statutory requirement under the Local Government Act 1995.

COMMENT:

Attached is the Return for the period 1 January to 31 December 2006.

Responses to the Return are as follows:

Finance:

69. Council has previously delegated the authority to the CEO to pay accounts in advance of the Council Meeting.
79. The Audit Committee that was established in May 2005 was not elected by an Absolute Majority as required. This error was rectified at the Ordinary Meeting of Council, held Friday, 16 February 2007
80. The Audit Committee that was established in May 2005 was not delegated any powers or duties as required. This error was rectified at the Ordinary Meeting of Council, held Friday, 16 February 2007

84. The Audit report was not received until approximately nine and a half weeks after the audit was completed. Conditions of the new tender contract require that report to be supplied within 14 days of the exit interview

Meeting Process:

40. The disclosure of interests declared in Agenda Items at Meetings was not recorded in the Minutes as required. Future declarations of interest require that the Member disclose the extent of that interest.

Tenders For Providing Goods Or Services:

8. Not all tenders contained the section stating by which criteria the tender would be assessed, eg, vehicle tenders, fuel, etc. Future tender specifications will include such information for the public whether relevant or not.
9. Not all tenders included information as to whether the Shire of Menzies would be submitting a tender for the provision of goods and services, ie, vehicle tenders, fuel, etc. Future tender specifications will include such information for the public whether relevant or not.

CONSULTATION:

Mr Darrell Forrest – DLGRD.

STATUTORY ENVIRONMENT: *Local Government Act 1995*

Section 7.13 . Regulations as to audits

Regulations may make provision —

- (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.*

POLICY IMPLICATIONS: None

FINANCIAL IMPLICATIONS: None

VOTING REQUIREMENTS: Simple Majority required

COUNCIL DECISION / OFFICER RECOMMENDATION ITEM 11.4

Moved Cr Purchase

Seconded Cr Dwyer

That Council Resolve to Adopt the Local Government Compliance Audit Return for the period 1 January 2006 to 31 December 2006, noting the comments on the various sections and recommendations for future compliance.

11.5	Actions against various lands for unpaid rates
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SUBMISSION TO: Ordinary Meeting of Council Friday,
16 February 2007

LOCATION: Menzies Shire

APPLICANT: N/A

FILE REF: 307

DISCLOSURE OF INTEREST: The author of this item has been retained as a casual employee to oversee the process of dealing with lands for the non-payment of rates

DATE: 31 January 2007

AUTHOR: Lance Croft, Casual Employee

SIGNATURE OF AUTHOR:

SENIOR OFFICER: Peter Crawford, Chief Executive Officer

SIGNATURE OF SENIOR OFFICER:

SUMMARY:

At its meeting of 16 December 2006 Council resolved to authorize the following matters in relation to those lots listed in the appendix to this item -

- (1) That the local government take possession of the lots and to sell them at auction for the recovery of outstanding rates in accordance with the provisions of the Local Government Act 1995, and where not sold transfer the lots to the Shire of Menzies; and
- (2) That the Chief Executive Officer be delegated those powers of the local government in relation to the process approved at (1) of this resolution to the extent authorized by the Act, including but not limited to -
 - (a) setting reserve prices on the lots, sufficient to cover the amount of outstanding rates and equal portions of the costs relative to this action; and
 - (b) establishing auction arrangements including time and place, and appointing an auctioneer.

BACKGROUND:

The agenda paper for this item also provided the following comments in relation to recovery actions which should precede the actions the subject of the December resolutions -

The local government is required to have attempted at least once during the preceding three years to recover rates owing on the land through court action before invoking any of the powers of the Act relating to disposal of land for unpaid rates. Alternatively, it

may avoid that requirement where it holds a reasonable belief that the cost of such proceedings would equal or exceed the value of the land.

It is understood that the Shire of Menzies has not made such an attempt during the period of the previous three years.

The following rationale attempts to consider the matters which are relevant should Council decide not to attempt to recover these rates by court action.

The lots under consideration are contained within the townships of Kookynie and Menzies, which serve and are predominantly reliant upon the pastoral industry and economic activity through mining. Both towns provided for considerably larger populations in the early part of the twentieth century (as evidenced by these lots and historical records), and are now relatively deserted or near-deserted by comparison.

It is unlikely that there will be future community growth from development in the pastoral industry sector, which is considered to be relatively static in potential for development and employment opportunity. Current mining exploration promises some expectation of economic activity in the Shire based on the development of those prospects. Nevertheless, the penchant of contemporary mining to fly-in fly-out does not necessarily translate into community growth for a district with mining operations.

Of the 270 lots under consideration in this exercise only 12 have had dealings on them since 1970. Of the remaining 258, the last dealings were between 1931 and 1952 on 18, and between 1896 and 1925 on the other 240.

Whilst there has been some transacting of land generally occurring of recent time as evidenced in the information provided by the VGO, there have been no dealings on most of these lots for many years. This clearly indicates an absence of any significant demand over a very long period of time.

The foregoing considerations, combined with the number of lots being contemplated in this exercise, leads to the view that expensive legal action would produce costs that would most likely exceed returns from the disposal of the lots.

Regretfully, a recommendation relating to this issue was not made in the agenda paper for December.

COMMENT:

The rate assessments to which this item refers are those listed in the attachment to this item.

CONSULTATION:

None

STATUTORY ENVIRONMENT: The local government is required to have attempted at least once during the preceding three years to recover rates owing on the land through court action before invoking any of the powers of the Act relating to

disposal of land for unpaid rates. Alternatively, it may avoid that requirement where it holds a reasonable belief that the cost of such proceedings would equal or exceed the value of the land.

POLICY IMPLICATIONS: No known policy implications.

FINANCIAL IMPLICATIONS: Not making an attempt to recover these rates will avoid incurring costs for court actions which are highly unlikely to produce any resolution of the outstanding rate charges.

VOTING REQUIREMENTS: Simple Majority required.

COUNCIL DECISION / OFFICER RECOMMENDATION	ITEM 11.5
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Moved Cr McGregor

Seconded Cr Kelly

In relation to the outstanding rates set out in attachment and the December 2006 decision of Council (Minute No 13.2.1 to..... 'take possession of the lots and to sell them at auction for the recovery of outstanding rates in accordance with the provisions of the Local Government Act 1995, and where not sold transfer the lots to the Shire of Menzies.....', and acknowledging the validity of the arguments outlined in this item questioning the usefulness of court action seeking to recover these rates, that Council resolve to bypass the requirement by virtue of section 6.68(2) of the Local Government Act.

Carried 6 / 0

11.6	Instrument of Authorisation – MRWA
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SUBMISSION TO: Ordinary Meeting of Council Friday,
16 February 2007

LOCATION: Menzies Shire

APPLICANT: Commissioner – Main Roads Western Australia

FILE REF: 402

DISCLOSURE OF INTEREST: None

DATE: 7 February 2007

AUTHOR: Peter Crawford, Chief Executive Officer

SIGNATURE OF AUTHOR:

SUMMARY:

This Item is to request Council to become a signatory to the Instrument of Authorisation with Main Roads Western Australia (MRWA).

BACKGROUND:

Council is already a signatory to an Instrument of Authorisation with MRWA which enables the Shire staff to erect and display road signs and devices at roadworks sites.

This version will authorise Shire staff to erect and display signs and devices at events that are held on roads (See attached).

COMMENT:

Like the previous Instrument of Authorisation that Council signed for the erection of signage and devices at roadworks sites, this version will allow Council to control and direct traffic during the holding of events that are partially or wholly conducted on any road within the district.

CONSULTATION:

None

STATUTORY ENVIRONMENT: As per Sections 2.7 and 3.1 of the Local Government Act 1995 relating to General Functions provisions.

POLICY IMPLICATIONS: None

FINANCIAL IMPLICATIONS: None

VOTING REQUIREMENTS: Simple Majority required

COUNCIL DECISION / OFFICER RECOMMENDATION ITEM 11.6
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Moved Cr McGregor

Seconded Cr Dwyer

That Council Resolve to become a signatory to the Instrument of Authorisation with Main Roads Western Australia under the Road Traffic Code 2000, Regulation 297(2)

Carried 6 / 0

11.30 am *Cr Purchase declared a financial interest in the next Item and left the Chambers. The extent of his interest was that his hotel currently provides accommodation and he would see the Adoption of the Recommendation as being in competition to his business.*

11.30 am *Ms McCarthy left the Chambers*

11.7 Menzies Caravan Park

SUBMISSION TO: Ordinary Meeting of Council Friday,
16 February 2007
LOCATION: Menzies Caravan park
APPLICANT: Marie Grainger
FILE REF: 124
DISCLOSURE OF INTEREST: None
DATE: 9 February 2007
AUTHOR: Peter Crawford, Chief Executive Officer

SIGNATURE OF AUTHOR:

SUMMARY:

This Item is a request for Council to consider allowing the placing of on site caravans at the Menzies caravan park

BACKGROUND:

Menzies is currently undergoing a period of activity with mining personnel in and around the Menzies area.

It would appear that the limited availability of accommodation is not meeting the demand.

A letter has been received from a Ms Marie Grainger requesting Council permission to place two on site caravans at the Menzies caravan park (See attached letter).

COMMENT:

Menzies does not have any on site accommodation in the Menzies caravan park, neither from a Council or private source.

This offer from the applicant would alleviate some of the pressure of this situation in providing an alternative choice.

The applicant would be responsible for liaising with the caravan park caretaker in the management of the vans in relation to bookings, cleaning and the payment of weekly park fees. Any applicable insurance coverage is to be the responsibility of Ms Grainger.

The CEO will inspect each caravan and ensure that it is of a suitable condition before permission is given to place that caravan in the park.

CONSULTATION:

None

STATUTORY ENVIRONMENT: As per Sections 2.7 and 3.1 of the Local Government Act 1995 relating to General Functions provisions

POLICY IMPLICATIONS: None

FINANCIAL IMPLICATIONS: None

VOTING REQUIREMENTS:

OFFICER RECOMMENDATION	ITEM 11.7
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That Council Resolve to grant the request from Ms Marie Grainger to place up to two (2) on site caravans at the Menzies caravan park subject to the following conditions:

1. The locations of the caravans will be at the CEO and caretaker's discretion
2. All fees payable will be the responsibility of Ms Grainger
3. Bookings, cleaning, insurance, etc of those caravans and their tenants will be the responsibility of Ms Grainger
4. The tenants of the caravans will conform to the rules and regulations of the caravan park as directed by the caretaker.
5. The CEO is to inspect the proposed caravans for suitability prior to the placement of the caravans in the park

ADDENDUM	ITEM 11.7
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Moved Cr I Tucker

Seconded Cr I McGregor

6. A decision on the future of onsite vans be reviewed when the new Caravan Park is built.

Carried 5 / 0

COUNCIL DECISION	ITEM 11.7
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Moved Cr I McGregor

Seconded Cr J Dwyer

1. The locations of the caravans will be at the CEO and caretaker's discretion
2. All fees payable will be the responsibility of Ms Grainger
3. Bookings, cleaning, insurance, etc of those caravans and their tenants will be the responsibility of Ms Grainger
4. The tenants of the caravans will conform to the rules and regulations of the caravan park as directed by the caretaker.
5. The CEO is to inspect the proposed caravans for suitability prior to the placement of the caravans in the park
6. A decision on the future of onsite vans be reviewed when the new Caravan Park is built.

Carried 5 / 0

11.30 am Cr Purchase and Ms McCarthy re-entered the Chambers

12. REPORTS

12.1 COUNCILLORS REPORTS

- | | | |
|-----------|---|---|
| Cr Tonkin | | Rocks need to be graded further off the road surface when maintenance grading is carried out. |
| Cr Kelly | - | Spoke to Mrs Henderson about new caravan park |
| Cr Tucker | | Enquired about the provision of a sewerage dump site at the Menzies tip. CEO advised that the Health / Building Officer had |

outlined the requirements necessary to provide this service and that these requirements would be installed in the future.

Cr McGregor - Yarri road needs to be graded as it is a bit rough in places

Cr Dwyer Had a report from Hampton's Transport that the Yarri Road is a credit to the Council.

12.2 CHIEF EXECUTIVE OFFICERS REPORT

1. Sylvia Kennedy had prepared a short spiel to be placed at the sites for the Menzies Entry Statements.
2. Lake Ballard master development plan should be ready in the near future
3. Roadwise Committee, would look at trying to form a local committee
4. Tender – housing tenders were opened with only one tender being received.

COUNCIL DECISION

ITEM 12.2

Moved Cr I McGregor

Seconded Cr J Dwyer

That Council Resolve to move a motion on Tender MN 138 – Supply of Housing Units

Carried 6 / 0

COUNCIL DECISION

ITEM 12.2

Moved Cr J Dwyer

Seconded Cr I Tucker

That Council Resolve to award Tender MN 138 – Supply of Housing Units to McGrath Homes for the supply of two (2) two bed roomed units for the cost of \$199,968 plus GST.

Carried 6 / 0

13. NEW BUSINESS OF A URGENT NATURE

13. NEW BUSINESS OF A URGENT NATURE

13.1 ELECTED MEMBERS

Nil

13.2 CHIEF EXECUTIVE OFFICER

Nil

14. CONFIDENTIAL BUSSINESS TO BE HEARD BEHIND CLOSED DOORS.

14.1 COUNCIL DECISION	ITEM 14.1
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Moved Cr McGregor Seconded Cr Kelly

That Council enter into Confidential Business to be Held Behind Closed Doors.

Carried 6 / 0

14.1.1 COUNCIL DECISION	ITEM 14.1.1
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Moved Cr I McGregor Seconded Cr I Tucker

That Council return from behind closed doors

Carried 6 / 0

14.1.2 COUNCIL DECISION	ITEM 14.1.2
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VOTING REQUIREMENTS: Simple Majority required

Moved Cr A Kelly Seconded Cr J Dwyer

That Council resolve to move a motion

Carried 6 / 0

COUNCIL DECISION	ITEM 14.1.3
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VOTING REQUIREMENTS: Absolute Majority required

Moved Cr I McGregor Seconded Cr J Dwyer

That Council Resolve to:

- (i) Create a senior management position designated as Manager – Works and Services
- (ii) Authorise the unbudgeted expenditure associated with the creation of this position, and,
- (iii) Authorise the CEO to negotiate a salary package with the successful applicant

Carried 6 / 0

15. NEXT MEETING

The next meeting will be held on Friday, 16 March 2007 at the Council Chambers, Menzies, Commencing at 9.00 am

16. MEETING CLOSED

There being no further business to discuss, the President declared the meeting closed at 12.17 pm

These Minutes were confirmed as a true and accurate record of proceedings at the Ordinary Meeting of Council, held Friday 16 March 2007

CONFIRMED

SHIRE PRESIDENT