



Western Australia

Agenda for the Special Meeting of the Murchison Shire Council,
Held in the Council Chambers, Carnarvon Mullewa Road, Murchison,
On Wednesday 25th January, **2012**, commencing at 9.00 am.

1. DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS

2. RECORD OF ATTENDANCE/APOLOGIES/LEAVE OF ABSENCE

3. RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE

Not appropriate this meeting

4. PUBLIC QUESTION TIME

No members of the public expected

5. NEXT MEETING

Just a reminder that this will be the Ordinary meeting Scheduled for Friday 17th February, 2012

6. APPLICATIONS FOR LEAVE OF ABSENCE

Not appropriate this meeting

7. SPECIAL ITEM TO APPOINT J N WARNE AS ACTING CEO

Background:

The previous CEO Mr Sully finished here 28th December, 2012. Neil Warne had previously been approached via WALGA's Employment Solutions service and had agreed to be appointed Acting CEO from 16th January, 2012 for a period of 2-3 months but without a definite end of relief period date. The arrangements and salary payable to Mr Warne have been negotiated with the Shire President.

Interest Declared:

None

Statutory Environment:

Council is required to appoint a person to be the CEO.

Financial Implication:

Provision provided in current budget

Voting:

Simple majority

Officers Recommendation:

That Council appoint James Neil Warne Acting Chief Executive Officer as from 16th January, 2012 for a period of approximately three months but noting that a definite end period has not been determined with arrangements and salary as negotiated with the Shire President and advised to councillors.

8. CONFIRMATION OF MINUTES

No minutes for confirmation this meeting

9. ANNOUNCEMENTS BY PRESIDING PERSON WITHOUT DISCUSSION

13. DISCLOSURE OF INTERESTS

14. REPORTS OF COMMITTEES

Building Management Committee – 17th January, 2012. Separate minutes e mailed to Councillors

15 OTHER ITEMS FOR CONSIDERATION THIS MEETING

A. Tenders for the road preparation (construction work) of 7 kms Carnarvon-Mullewa Road from SLK 199 to SLK 206.

Author: Acting CEO

Interest Declared: Nil

Statutory Environment:

Council is authorised to call tenders for such work. Tenders were called in accordance with the L G Tender Regulations on Councils behalf by Greenfield Technical Services.

Financial Implications:

Greenfield Technical Services information says Council has \$800,000 for this (total – road construction and sealing) project. The current budget provides for Income of \$884,452 from R4R Funds and in the expenditure 'Construction Carnarvon-Mullewa Road seal \$884,452'. Confirmation that these funds are available will be obtained prior to the meeting and advice in the affirmative would have to be considered a pre-requisite to the acceptance of the tender.

Voting; Simple majority

Background and Comment:

Greenfields called tenders for the plant hire (road construction part of the project) on Council's behalf in November 2011 closing 6th December. On tenders closing four tenders were received. These have been assessed by Michael Keene Greenfield Technical Services. The tenders range from \$534,280 to \$676,445. GTS recommends the tender of JMC Truck and loader hire of \$562,095 for the completion of 7 kms road construction. GTS also calculated the other portions of the total job at \$ 319,252 – the same for all tenders. Additional information already provided to Councillors.

Officers Recommendation:

That the tenders for the construction (preparation for sealing) of seven kilometres Carnarvon-Mullewa Road SLK 199 to 206 be received together with advice from Greenfield Technical Services and the tender submitted by JMC Truck and Loader Hire of \$562,095 be accepted.

Additional Note.

The tender of \$562,095 plus the estimated cost of the actual seal plus other costs of \$319,252 total \$881,347. Note also the road construction will be paid on actual hours worked (information from GTS documentation), not the estimated hours therefore the final cost of the work is likely to vary somewhat from the estimate above.

B. Tenders for Contract Maintenance Grading

Author: Acting CEO

Interest Declared: Nil

Statutory Environment:

Council is authorised to call tenders for such work. Tenders were called in accordance with the L G tender regulations. .

Voting: Simple majority

Background;

Following discussion in Council over an extended time in relations to the merits of having maintenance grading carried out by contract tenders were called for this kind of work. No formal decision in the form of a minute of Council exists directing staff to call tenders. It is not unusual for staff to call tenders for work or

projects listed in a Council's budget if the work or project is of a nature internal staff cannot perform, is beyond the capacity of existing staff to perform or even just to 'test the water' as to cost.

A schedule of the tenders received attached.

Statutory Environment:

Council is authorised to call tenders for such work. Tenders were called in accordance with the L G Tender Regulations.

Comment:

Although the reasons for any decision which might result in maintenance grading by tender are not known to me I have doubts about the merits of contract grading as is proposed as demonstrated by the calling of tenders. My understanding is that Council has three graders and three competent operators who –I would think -are very familiar with the Shires road system and 'hot spots'. If there are any deficiencies in their work or level of production I would think Council has adequate 'in house' expertise to correct that.

Whenever a Council gets work contained in the budget carried out by contract there is less money to expend via Council staff and machinery and less control if there is a desire to 'pull back a bit'.

In reading the proposed contract I note that Council would be responsible for providing fuel and cutting edges and scarifying tips. My view is a contractor should be responsible for everything. A contractor is there to make a profit and such a contractor is supposed to relieve council of just about everything connected with the job. With proposal on the table, in addition to constant supervision, Council has to be at the beck and call of the contractor in relation to fuel and grader blades. I visualise constant problems about the supply of fuel and the provision and quality of grader blades.

At this time in the life of the Shire to take on any new venture which adds to the work of the staff or proves difficult in implementation could be a mistake. To add to this is the -my view- unproven financial advantage.

Officers Recommendations:

1. That the action of the staff in calling tenders for maintenance grading as per the advertisement published be endorsed.
2. That the list of tenders for maintenance grading be received and Council not accept any of the tenders submitted, and all tenderers be thanked and advised accordingly and Council review this matter in June 2012 with a view to providing for any change in its operations in the 2012/13 budget and in the meantime Council hire 'local' contract graders for urgent additional grading if required.

C. Change of Fuel Suppliers – Matters to be considered

Resume' of letter received (letter cannot be found in CEO's Office)

Letter sent to Council from BP Reliance Geraldton. advising that as a consequence of Council's change of fuel suppliers BP Reliance will want to have the fuel equipment made available to Council returned to Reliance.

This entails 1X27,000 l fuel tank and 2X8,000 l tanks mounted on trailers (although Mr Bill Mitchell advises that he thinks one of the 8,000 l tanks was actually purchased by Council some years ago.

The letter from Reliance apparently includes a possible remedy to the dilemma. At the time of preparing this Mr J McAlpine was unavailable on the phone but contact will be made with him prior to the meeting.

Another matter is the 55,000 l tank made available by Bio-Tech Fuels (new suppliers) is not bunded and will need to be bunded in accordance with the storage of fuel regulations.

Further information expected to be available at the meeting.

For discussion by Council.

MEETING CLOSURE