Shire of Perenjori
MINUTES
Ordinary Council Meeting
Held in the Shire of Perenjori Council Chambers, Fowler Street, Perenjori on 17th June 2010, commencing at 1.30pm

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## Shire of Perenjori

### Ordinary Council Meeting

#### MINUTES

**17th June 2010**

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10061  PRELIMINARIES

10061.1  DECLARATION OF OPENING AND ANNOUNCEMENT OF VISITORS
Meeting Opened at 1.30pm by Chairman Cr LC Butler

Visitors
Patrick Beale – University of Western Australia
Robyn Diggins – University of Western Australia
Brian Baxter – Member of the Public

10061.2  OPENING PRAYER
Cr Laurie Butler led council in the opening prayer

10061.3  DISCLAIMER READING

10061.4  RECORD OF ATTENDANCE, APOLOGIES AND LEAVE OF ABSENCE

Present
Cr Laurie Butler
Cr Graeme Reid
Cr John Bensdorp
Cr Cathy Johnston
Cr John Cunningham
Stan Scott – CEO
Leah Leopold – Acting DCEO
Ken Markham – Works Supervisor
Garry Agnew – Director of Developmental Services
Kimberley Wheeler – Executive Assistant

Apologies
Cr Chris King
Cr Rodney Desmond
Cr Jenny Hirsch
Cr Robyn Benton

10061.5  PUBLIC QUESTION TIME
Brian Baxter requested that the council consider allowing refugees to be housed within the shire of Perenjori.

Mr Baxter also reminded council that there is still the opportunity for funding for a worthy project from Royalties for Regions.

Mr Baxter advised that the role and functions of the Regional Development Commissions are being reviewed by The Department of Regional Development for Lands.
Mr Baxter informed Council that he has nominated himself for the Regional Development Trust, and advised that applicants are still being considered.

Mr Baxter also noted that he is still awaiting a letter from the shire confirming his position as Environmental Representative for the Shire.

**10061.6 PETITIONS / DEPUTATIONS / PRESENTATIONS**

Professor Patrick Beale from the University of Western Australia made a presentation on Flat Pack Housing to update council on progress and plans for the second flat pack house.

**10061.7 NOTATIONS OF INTEREST**

Nil.

**10061.8 APPLICATIONS FOR LEAVE OF ABSENCE**

CEO Stan Scott advised that he may be absent for the next Ordinary Council Meeting.

**10061.9 CONFIRMATION OF MINUTES**

Minutes of Ordinary Council meeting held 20th May 2010 are attached.

**Council Resolution**

Moved: Cr JA Bensdorp  
Seconded: Cr JR Cunningham  
That the Minutes from Ordinary Council Meeting held on the 20th May 2010 be confirmed as a true and accurate record.  
Carried: 5/0

**10061.10 ANNOUNCEMENTS BY PERSON PRESIDING WITHOUT DISCUSSION**

Nil

**10061.11 MATTERS FOR WHICH MEETING MAY GO BEHIND CLOSED DOORS**

**10062 ECONOMIC DEVELOPMENT**
10063.1 MONTHLY STATEMENT OF FINANCIAL ACTIVITY

APPLICANT: ACTING DEPUTY CEO
FILE: 0
DISCLOSURE OF INTEREST: 0
AUTHOR: LEAH LEOPOLD – ACTING DEPUTY CEO
RESPONSIBLE OFFICER LEAH LEOPOLD – ACTING DEPUTY CEO
REPORT DATE: 10 JUNE 2010
ATTACHMENTS MAY FINANCIAL ACTIVITY REPORTS

Executive Summary:
As required by the Local Government Act and Financial Management Regulations a Monthly Statement of Financial Activity is required to be presented to each monthly meeting. This statement is used with Councils adopted 10% variance or $5000 figure which was adopted by Council at its July meeting. A report detailing the variances is also included.

Other Financial statements are also attached as per the Finance Committee preferences.

Statutory Environment: N/A
Policy Implications: N/A
Financial Implications: N/A
Strategic Implications: N/A
Consultation: N/A
UHF Haines Norton

Voting Requirements: Simple Majority

Officers Recommendation:

1. Statement of Financial Activity
That the Statement of Financial Activity for the period ended 31st May 2010 including report on variances be accepted as presented.

2. Finance Report
That the Finance Report for the period ended 31st May 2010 be accepted as presented.
3. Acquisition of Assets
That the Acquisition of Assets Report for the period ended 31st May 2010 with a balance of $3,882,512.00 as presented be received.

4. Reserves Report
That the Reserves Report for the period ended 31st May 2010 with a balance of $1,270,073.00 as presented be received.

5. Net Current Assets
That the Net Current Assets report for the period ended 31st May 2010 as presented be received.

6. Bank Reconciliation’s
That the balances of the Municipal Fund of $630,631.54 and the Trust Fund of $40,937.47 as at 31st May 2010 as presented be received.

7. Sundry Creditors Report
That the Sundry Creditors Report for the period ended 31st May 2010 with a balance of $263,054.78 as presented be received.

8. Sundry Debtors Report
That the Sundry Debtors Report for the period ended 31st May 2010 with a balance of $360,087.59 as presented be received.

9. Accounts for Payment
That the Accounts for payment for the Municipal Account consisting of Cheque Numbers 17504 to 17531 and EFT Numbers 1618 to 1708 for $566,826.69 and the Trust Account consisting of EFT Numbers 1692 and 1701 for $550.00 for the period ended 31st May 2010 as presented be accepted.

10. Rates Outstanding
That the Rates Outstanding Report for the period ended 31st May 2010 with an outstanding balance of $44,161.00.

Council Resolution:
Moved: Cr JA Bensdorp    Seconded: Cr JR Cunningham
That Items 1-10 relating to the Financial Activity Reports ended 31st May 2010 be accepted.

Carried: 5/0
Executive Summary:

Councils Debt Collection Agency - Austral Mercantile Collections have informed that despite all efforts it has proved futile for outstanding rates Ross Love and that further action would be uneconomical.

Ross Love has an outstanding debt for rates for Mining Tenement A638 from 2002/2003 to 2009/2010. The Mining Tenement was forfeited on the 1st September 2009. The debtor has been actively pursued but to no avail.

Statutory Environment: N/A

Policy Implications:

Policy Number 4004 – 31st January issue final demand. 14 days after final notice referred to Debt Collection Agency

Financial Implications:

03000 Bad Debts Expense Budget allocation $500.00

Consultation:

Austral Mercantile

Voting Requirements: Simple Majority

Officers Recommendation:

That Outstanding Rates Debtor Ross Love assessment A638 for $2,902.20 be written off as a bad debt.

Council Resolution:

Moved: Cr GK Reid Seconded: Cr CM Johnston

That Outstanding Rates Debtor Ross Love assessment A638 for $2,902.20 be written off as a bad debt

Carried: 5/0
Dear Leah

Re: Shire of Perenjori — v — Ross Love (A638)

We refer to the above account and regret that all action to date has proved futile.

In our opinion that further action would be uneconomical and therefore suggest that the debt be written off.

Unless we receive your instructions to the contrary, we will now close our file.

Thank you

Kind regards

Lauren Sudholz
Senior Account Manager
Austral Mercantile Collections
(08) 9407 5200
10064 HEALTH BUILDING AND PLANNING

10064.1 MIDWEST TRANSPORTABLES AT PERENJORI CARAVAN PARK

APPLICANT: SHIRE OF PERENJORI
FILE:
DISCLOSURE OF INTEREST: NIL
AUTHOR: GARRY AGNEW DDS
RESPONSIBLE OFFICER: GARRY AGNEW DDS
REPORT DATE: 9 JUNE 2010
ATTACHMENTS 10064.1a, 10064.1b, 10064.1c

Executive Summary:
Council is asked to consider and endorse the proposed temporary accommodation development at the Perenjori Caravan Park.

Comment:
Council is referred to Resolution SP 10054 of its Special Meeting on the 6th May 2010.

Moved: Cr J H Hirsch Seconded: Cr R A Benton

That Council authorise the CEO to:
1. Negotiate supply of a kitchen laundry unit for less than $100,000;
2. Purchase necessary furnishings up to a value of $15,000
3. Negotiate an agreement with Midwest Transportables for the establishment of a 16 person camp at the caravan park with the income after expenses shared 85% to MWT and 15% to the Shire

Carried: 6/0

The CEO and Director Development Services met with Mr. Simon Kelly of Midwest Transportables on Tuesday 8th June 2010 to discuss issues relating to the application for building licence. Engineering certified structural drawings and Energy Efficiency Assessment Certification were not available.

Notwithstanding the issue of a compliant building licence application, Council is asked to formally endorse the development in terms of area development, building appearance and roof sectional profile.

Attachments:
10064.1a – site layout
10064.1b – building section displaying veranda and roof profile
10064.1c – colour photos of built units (3 photos)
Council is reminded that this report relates to building type, site layout, access, parking and fencing only. Other issues that need to be addressed include a compliant sewage treatment and effluent disposal system, power supply, adequate water supply, area fire protection (fire hose reels) and storm water disposal etc.

**Statutory Environment:**
Shire of Perenjori Town Planning Scheme No.1
Local Government (Miscellaneous Provisions) Act 1960
Health Act 1911
Caravan Parks and Camping Grounds Act 1995
Shire of Perenjori Local Health Laws 2001

**Policy Implications:**
Nil.

**Financial Implications:**
Council has already made provision for its contribution.

**Voting Requirements:**
Simple Majority

**Officers Recommendation:**
Planning Consent is granted for the development of temporary accommodation by Mid West Transportables at the Perenjori Caravan Park as presented subject to; no work being commenced until a compliant building application has been submitted and Building Licence issued.

*Photos of recently constructed Carnamah dongas circulated by the Director of Developmental Services Garry Agnew.*

**Council Resolution:**

Moved: Cr GK Reid  
Seconded: Cr CM Johnston
Planning Consent is granted for the development of temporary accommodation by Mid West Transportables at the Perenjori Caravan Park as presented subject to; no work being commenced until a compliant building application has been submitted and Building Licence issued.  
Carried: 5/0
Executive Summary:
Council to consider an application for Planning Consent from Karara Mining Limited to construct a new borrow pit and access road at Loc 8582 approximately 54km west of the Karara Iron Ore Project.

Comment:
Application for Planning Consent has been received from the Director Weelhamby Holdings Pty Ltd seeking approval for Karara Mining Limited to construct a new borrow pit and access road on Weelhamby private land - see Attachment 10064.2a. Background and project description have been provided via correspondence from Karara Mining Limited – see Attachment 10064.2b

Statutory Environment:
Shire of Perenjori Town Planning Scheme No.1

Policy Implications:
Nil.

Financial Implications:
A planning application fee of $435.00 has been receipted.

Voting Requirements:
Simple Majority

Officers Recommendation:
Planning Consent is granted to the Director Weelhamby Holdings Pty Ltd allowing Karara Mining Limited to construct a new borrow pit and access road at Weelhamby Station, Loc 8582 on deposited Plan 203935 being the land contained in Certificate of Title Volume 1728 Folio 93 (“the land”).

Council Resolution:
Moved: Cr JA Bensdorp Seconded: Cr CM Johnston
Planning Consent is granted to the Director Weelhamby Holdings Pty Ltd allowing Karara Mining Limited to construct a new borrow pit and access road at Weelhamby Station, Loc 8582 on deposited Plan 203935 being the land contained in Certificate of Title Volume 1728 Folio 93 (“the land”).
Carried: 5/0
10064.3 APPLICATION TO CLEAR VEGETATION

APPLICANT: KARARA MINING LIMITED

FILE:

DISCLOSURE OF INTEREST: NIL

AUTHOR: GARRY AGNEW DDS

RESPONSIBLE OFFICER: GARRY AGNEW DDS

REPORT DATE: 9 JUNE 2010

ATTACHMENTS 10064.3a

Executive Summary:
The Department of Environment and Conservation seeks Council's comment on an application to the DEC for a permit to clear native vegetation.

Comment:
Correspondence has been received from the Native Vegetation Conservation Branch of the Department of Environment and Conservation inviting Council comment on the following application.

Permit Number: CPS3740/1
Applicant Name: Karara Mining Limited
Type of Permit: Purpose
Description of Land: Lot 8582 on plan 203935, Rothsay
Shires: Morawa and Perenjori
Purpose: Borrow Pit
Area: 12.7 ha

In accordance with sub-section 51E(4) of the EP Act, the Chief Executive Officer of DEC has considered the Council may have a direct interest in the subject matter of the application therefore invites comment on the proposal. The Chief Executive Officer of DEC will, after having taken into account any comments received and subject to sections 51O and 51P of the EP Act, either grant a clearing permit (including any specified conditions) or refuse to grant a clearing permit.

Statutory Environment:
Environmental Protection Act 1986

Policy Implications: Nil

Financial Implications: Nil

Voting Requirements: Simple Majority

Officers Recommendation:
The Chief Executive Officer of the DEC is to be informed that the Shire of Perenjori does not have objection to the issue of a permit to clear (Permit Number: CPS 3740/1).
Council Resolution:

Moved: Cr GK Reid  Seconded: Cr CM Johnston
The Chief Executive Officer of the DEC is to be informed that the Shire of Perenjori does not have objection to the issue of a permit to clear (Permit Number: CPS 3740/1).

Carried: 5/0
10064.4 CONTROLLED WASTE TRACKING

APPLICANT: SHIRE OF PERENJORI
FILE:
DISCLOSURE OF INTEREST: NIL
AUTHOR: GARRY AGNEW DDS
RESPONSIBLE OFFICER: GARRY AGNEW DDS
REPORT DATE: 9 JUNE 2010
ATTACHMENTS 10064.4a

Executive Summary:
The sewage effluent lagoon located at the Perenjori Refuse Site is now registered as a Controlled Waste Disposal Site by the DEC.

Comment:
The Department of Environment and Conservation has advised that registration of the sewage effluent lagoon at the Perenjori Refuse Site as a controlled waste disposal site for the receipt of Controlled Waste Categories 1.02 has been approved.
Pursuant to the Environmental Protection (Controlled Waste) Regulations 2004 septage wastes – wastes from apparatus for the treatment of sewage have a Category No. 1.02 under the Biological Waste Category Group; therefore its transport and disposal must be tracked and recorded – see Attachment 10064.4a.

Statutory Environment:
Environmental Protection Act 1986
Environmental Protection (Controlled Waste) Regulations 2004

Policy Implications:
Nil.

Financial Implications:
Nil.

Voting Requirements:
Simple Majority

Officers Recommendation:
That the information be noted.
The pole will provide us a communications link from Perenjori to the new mine site at extension hill.

1. We are unable to use the existing tower for a number of reasons these are:
2. There is too much equipment on the tower and it will not safely handle anymore
3. Though there is discussions about some of the equipment eventually being remove the timing of this is uncertain
4. Even with the loss of the equipment we are still not certain that it meets our own stringent requirements
5. We do not require the height that the tower provides

To this end we would like to erect a free standing 10m pole as close to the rear of the existing St Johns building as possible. The new pole only requires a 1 metre radius footing with no guy wires ensuring it is of little impact. If you require any additional information I am happy to assist. I am also looking at coming to site on the 17th so if it would be beneficial for me to be available during the councils deliberations I would be most happy to attend.

Background:
Mt Gibson Iron owns the communication hut adjacent to St John’s and paid for the extension of the optic fibre cable to service the site. In light of this investment it does not make sense for them to seek an alternative site.
Statutory Environment:

*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:

The emergency services lot is owned by the Shire of Perenjori. We presently charge a $1,000 per year rental for the Intelligent IP tower.

Strategic Implications:

The Extension Hill project is of strategic importance to the Shire.

Consultation:

Details of the proposal have been forwarded to St John’s local representatives.

Comment:

The proposed tower is far less intrusive than the existing tower. It is free standing and has no guy wires. The footing has a 2 metre diameter.

Voting Requirements:

Simple Majority

Officers Recommendation:

That Council provide planning consent for the proposed town subject to the following conditions:

1. That the exact location on site be negotiated between the proponent, the Shire and St John’s ambulance;
2. That the proponent enter into a commercial lease similar to that for the Intelligent IP Tower including an annual lease payment of $1,000.
3. That the proponent obtain a building license if required.

Council Resolution:

Moved: Cr JA Bensdorp  
Seconded: Cr GK Reid

That Council provide planning consent for the proposed town subject to the following conditions:

1. That the exact location on site be negotiated between the proponent, the Shire and St John’s ambulance;
2. That the proponent enter into a commercial lease similar to that for the Intelligent IP Tower including an annual lease payment of $1,000.
3. That the proponent obtain a building license if required.
4. That a donation of $500 per year be given to St Johns Ambulance for the ongoing costs of electricity.

Carried: 5/0
Amendment:
Point 4 was added to the resolution due to the running cost to St John Ambulance for electricity.

*Director of Developmental Services officer Garry Agnew left the Council Chambers at 2.55pm*
SCHEDULE NO. 5
TOWN PLANNING AND DEVELOPMENT ACT 1928, (AS AMENDED)
SHIRE OF PERNJORI
TOWN PLANNING SCHEME NO. 1
Application for Planning Consent

1. Surname of Applicant Jenner on Behalf of Mount Gibson Iron
   Given Names Stephan David
   Full Address 7 Havelock St West Perth W.A. 6005

2. Surname of (if different from above)
   Land Owner St Johns Ambulance – Shire of Pernjori
   Given Names

3. Submitted by Stephan Jenner

4. Address for
   Correspondence P.O. Box 850 Mount Lawley W.A. 6929

5. Locality of development Pernjori

6. Title details of land St John’s Ambulance Site

7. Name of road
   Serving property Russell Road

8. State type of
   Development 10 Meter Communications Pole

9. Nature and size of all buildings proposed 10 Metre Octogon Communications Pole

Materials to be used on external surfaces of buildings Metal

General treatment of open portions of the site N/A

Details of car parking and landscaping proposals N/A

Estimated cost of proposed development $6,600

Estimated time for construction 3 days

Signature of Owner

Signature of Applicant or Agent

(Both signatures are required if applicant is not the owner)

Date ......................... 17/6/2010

NOTE: This form should be completed and forwarded to the Shire Council together with 2 COPIES of detailed plans showing complete details of the development including a site plan showing the relationship of the land to the area generally. In areas where close development exists, or is in the course of construction, plans shall show the siting of buildings and uses on lots immediately adjoining the subject land.
Shire of Perenjori

Ordinary Council Meeting

MINUTES

17th June 2010

ELEVATION

TOTAL WEIGHT OF COLUMN: 340.000kgs

BASEPLATE DETAILS

BASEPLATE THICKNESS: 32mm

CONTROL GEAR CLEARANCE DETAILS

ELEVATION ON DOOR

DOOR REMOVED FOR CLARITY

STANDARDS

AS 1170:1990 Standard for acceptance of life safety in structures of buildings and structures
AS 4086:81 Code - design and detailing
AS 4096:86 Code - design and detailing
AS 1652:82 Connection - structural steel - connections
AS 1653:82 Connections - steel to concrete - connections
AS 1654:82 Connections - steel to concrete - connections
AS 1655:82 Connections - steel to concrete - connections
AS 2320:81 Wave loading on streamlined surface articles.
AS 2321:86 Marine structures - steel - wave loading
AS 2322:86 Marine structures - steel - wave loading
AS 2323:86 Marine structures - steel - wave loading
AS 2324:86 Marine structures - steel - wave loading
AS 2325:86 Marine structures - steel - wave loading
AS 2326:86 Marine structures - steel - wave loading
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AS 2337:86 Marine structures - steel - wave loading
AS 2338:86 Marine structures - steel - wave loading
AS 2339:86 Marine structures - steel - wave loading
AS 2340:86 Marine structures - steel - wave loading

G&S Industries

10m FIXED TAPERED OCTAGONAL COLUMN
F10BHH
610014A

CHKE: R.G.

DRAW: Z.L.

DATE: 25 FEB '09

REV: 01
Executive Summary:
A draft of the proposed road programme for 2010-11 was presented to the Plant & Works Committee for consideration and recommendation to Council at the May meeting.

Their where several changes made to the original draft program to reflect the budget amount we generally allocate each year.

Applicants Submission:
Attached is the revised proposed road programme for 2010-11 as recommended by the Plant & Works committee at its May meeting, along with the addition of the Fowler street footpath as applied for to the Country Pathways grant scheme. (At the time of this report, no word had been received as to whether the application for funding had been successful.)

Background:

Statutory Environment:
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:

Strategic Implications:

Consultation:
Plant & Works Committee

Comment: Nil
Voting Requirements:
Simple Majority

Officers Recommendation:
That the revised proposed road programme for 2010-11 as presented, be accepted and endorsed by Council.

2.59pm Cr JA Bensdorp left the Council Chambers
3.00pm Chairman Cr LC Butler adjourned the Meeting
3.15pm Chairman Cr LC Butler reopened the Meeting

Council Resolution
Moved: Cr CM Johnston Seconded: Cr JR Cunningham
That the revised proposed road programme for 2010-11 as presented, be accepted and endorsed by Council
Carried: 5/0
## Shire of Perenjori

### Ordinary Council Meeting

**MINUTES**

**17th June 2010**

### ROAD PROGRAMME - 2010-11

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<td>Fowler street footpath</td>
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### Maintenance

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<tr>
<td>Taylors rd reconstruct 6km</td>
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<tr>
<td>Bunjil Ca Dring rd reseal</td>
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### Less Maintenance

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<tr>
<td>12303 - Roads to Recovery</td>
<td>$363,163</td>
<td>$363,163</td>
</tr>
<tr>
<td>12309 - Dual Use Pathway</td>
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<tr>
<td>12301 - Regional Road Group</td>
<td>$50,000</td>
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<tr>
<td>12300 - Direct Grant</td>
<td>$104,039</td>
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<tr>
<td>12304 - Black Spot Funding</td>
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**Total Construction**

<table>
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<td></td>
<td>$-</td>
</tr>
<tr>
<td>Reserves transfer</td>
<td></td>
<td>$-</td>
</tr>
</tbody>
</table>

$1,166,516 45,900 363,163 154,039 $ - 1,729,618
Executive Summary:

UWA has suggested the best way to get house 2 completed would be to invite tenders for the construction.

Applicants Submission:

The proposal from UWA is attached. UWA is still confident we can meet the brief of a high standard house that is affordable and appropriate for this area. The preamble to the draft tender specification is as follows:

"This tender is for the construction of a 173 sq meter, four bedroom and two bathroom, energy efficient flat packed house on a site in the Town of Perenjori [Lot 353, Timmings Street]."

"The design, specification and construction of this house is part of a significant ongoing collaborative project between the Shire of Perenjori and the University of Western Australia, through the Advanced Timber Concepts Research Centre.

- The project seeks to provide affordable housing to remote areas of Western Australia where there is no established building industry

- The project seeks to provide housing of a quality equivalent to that current in the Perth metropolitan area

- The houses are designed appropriately for the climate of Perenjori shire for:

  o Optimising of the orientation of the building on the site
  o as a lifestyle concept that assumes the climate is appropriate for the enjoyment of outdoor living
  o an environmentally friendly passive designed low energy consumption house.
  o an environmentally friendly building with a low embedded energy
  o factory produced pre–finished components that require a minimum of on-site construction and finishing"
Background:
Our association with UWA Faculty of Architecture Landscape and Visual Arts began in 2006. The first flat packed house is almost complete, and the lessons learnt from that house should help us do better for the second house.

Statutory Environment:
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:
We have already secured a grant of $170,000 towards the second house and an offer from Karara to take out a long term lease. The tender will also assess the impact of building 4 rather than one additional house.

Strategic Implications:
There are still prospects of the Perenjori house becoming commercialised and producing a return for the community.

Consultation:
The CEO has continued to engage with UWA, the Development Commission and Karara Mining.

Comment:
The CEO has had discussions with the Development Commission about tendering for a flat packed house rather than necessarily building the UWA design. It appears such an approach would require board approval. By far the best option is to complete the second UWA house it can be done at a reasonable price.

Voting Requirements:
Simple majority

Officers Recommendation:
That Council undertake with UWA a joint tender for the construction of the second flat packed house.
That Council recommendations resulting from the tender process be referred back to Council for final decision.

Council Resolution:

Moved: Cr GK Reid
Seconded: Cr JR Cunningham
That Council undertake as a matter of urgency with UWA a joint tender for the construction of the second flat packed house.
That Council recommendations resulting from the tender process be referred back to Council for final decision.

Carried: 5/0
Perenjori House 2.4 Tender proposal.

We would like to suggest that we go to a limited competitive tender for the procurement of the best possible price for this house in the current industry circumstances. We understand that it is required that the Shire undertake an initial call for Expressions of Interest to compile a shortlist of prequalified tenderers. We are currently awaiting our Quantity Surveyors preliminary evaluation of the construction costs for the building as a one off and as one of four, to firm up our understanding of current market costs.

As outlined in the initial briefing process, the buildings were always conceived of as being a production line model: that is, they would eventually be produced in a single factory production line or in a networked production line to a set of standardised components. Prototypes and single units will always be relatively expensive for this type of building, and anything that is non-standard will be difficult to achieve in the Western Australian building industry, particularly in the housing sector. Economies will be made at the time when the units are in full production and when there are building companies skilled up to carry out the remote installation quickly and with the simplicity of operations which they were designed for.

We note that these skills in broad terms do exist here in corporations who are primarily engaged in supply to the mining sector. We have had substantial interest in our work from two of these corporations to date [Fleetwood and Kent Corporation.] It appears that while there is still a market for the run of the mill mining camp type accommodation, there is a growing market for higher quality permanent housing that is prefabricated rather than pre-built in the expanding towns of the North West, where traditional building methods are proving time consuming and costly for a product that does not perform well climatically or environmentally.

Pricing the Perenjori/ATC building as an output from a production line is not something that a quantity surveyor can do with any reliability in this market as there is simply no reliable comparison data.\(^1\) The closest equivalent is the transportable home industry which works to very different design and performance criteria and currently operates on a production line fabrication system, achieving economies that are well known. Units are generic rather than site specific and therefore perform poorly in all climate regions with high energy and maintenance cost inputs. Materials and fit out are generally of minimum standard and the designed lifespan is short. When siteworks are removed from the equation, and build quality is factored in, the buildings we have designed we estimate to be easily cost competitive with the transportable market.

We suggest going for a limited tender in order to streamline the tender process, and to ensure that we receive submissions that can actually be compared as apples with apples. The attached preamble to the tender documents sets out the parameters for tenderers which are spelt out in more specific detail in the specification documents and in the drawings.

\(^{1}\) For reference the average building cost increase for the period 2006 to 2010 has been 6.4% annually. Prior to that, for 1998 to 2006 the average building price increase was just above the rate of CPI at 4.1 %. It must be noted that these are average across the whole state, and across the whole range of building types. Any particular part of the industry will be subject to particular types of supply and labour cost fluctuations. Remote area construction will be subject to a greater range of fluctuations than metropolitan fluctuations.
fixed price delivery of the project, in whichever form that takes. The three aspects of the design and construction process that we have maintained throughout and are of paramount importance to this collaborative project are:

- environmental suitability and sustainability,
- high quality of design and material specifications,
- flat pack system and ease and speed and simplicity of onsite construction.

We propose that the those encouraged to submit their EOI and tender, are drawn from a list of building companies and collaborators who are known to ourselves and/or to the Shire and who we know have the capacity and the skills to deliver this kind of building in this location within a specific time frame. Potential tenderers who have shown interest in the project, and particularly shown interest in the prospect of taking a licence to the construction rights for multiple units to date are: Fleetwood Corporation, Kent Corporation, Timber Check Corporation, ICS Australia Construction, Bill Pitt and Sons. Builders, The Smart Timber Group, A T Brine and Co. Builders, SIPS Australia, and Fortress Homes. We are scheduled to discuss the project with the CEO of Rapley Wilkinson who are the successors of the Nomad corporation.

The invitation to tender should contain a positive statement about the build of three further houses of the same design in the shire, and it should contain a formal notice for EOIs for taking out a licence to the suite of designs subject to separate negotiations as set out in the memorandum of agreement between the Shire and the University. [There are now four separate designs for Perenjori houses at 2 and 4 bedrooms]. The difference between the prefabrication and construction of one and four houses in remote locations is significant in cost reductions and indeed is an incentive to participate seriously in competitive pricing. The area is now starting to be understood as a new centre of development for the mining industry and the potential for some keen pricing and possible investment is starting to be understood, even in the building industry.

We believe that we can achieve a better price and quality outcome with this method than with an open tender or with a supply contract. The project has, to date, gathered a lot of positive publicity as being at the forefront of design and housing development in remote regions of WA and Australia. There are very few successful University /Local Council collaborative projects that have achieved as much as our project has achieved so far, even when all of the problems of supply, timing, program changes and priorities have been factored in. We are, we believe, poised to reap substantial benefits from the risks that we have respectively taken. Doing something that falls outside the mould is never without problems: the significant thing with this project is that we have overcome the problems as they have arisen, and we have been able to design them out of subsequent builds. Carrying the ‘cachet’ of working with Shire and University is another draw card that can be given value to those corporations who come on board as ‘collaborators’ in this venture. This too should be spelt out in the tender call.

**Tender Evaluation Process**

Tender evaluation can be done several ways in the construction industry. The traditional way, assuming that all tenderers have been properly pre-qualified, is to evaluate costs and schedules of rates per trade against the specification, bill of quantities and the drawings. More frequently now tender evaluations are weighted against a set of criteria that are important to the project. In the case of house two we would suggest the following weighting, or ordering of priorities:
1. Cost of the completed works and costs of key construction rates. These allow for any variations to be costed on a predetermined basis, and allow for interrogation of rates that may appear to be a misreading of either site conditions or availability of local services.

2. Time frame from building licence approval to the handover of the completed project.

3. Building system adopted from the design drawings and specifications given and evaluation of any substituted materials and systems proposed*.

*The research and design costs that have been incurred in this project have been primarily funded through the Forrest Products Commission operating grant to the ATC Research Centre. In the process of meeting our brief from the Shire and from the ATC Board of Governance, we have sought to work with and to specify West Australian sourced materials and skills wherever possible. This is a key element of the real sustainability of this project, and of the ability of the project to support the development of the West Australian resources and skills. We feel that as a branding device for the project and for its further development, particularly in getting government support through Department of Housing and Department of Works, this is of the highest importance.
Perenjori Tender Proposal.

Preamble:
This tender is for the construction of a 173 sq meter, four bedroom and two bathroom, energy efficient flat packed house on a site in the Town of Perenjori [Lot 353, Timmings Street].

The design, specification and construction of this house is part of a significant ongoing collaborative project between the Shire of Perenjori and the University of Western Australia, through the Advanced Timber Concepts Research Centre.

- The project seeks to provide affordable housing to remote areas of Western Australia where there is no established building industry
- The project seeks to provide housing of a quality equivalent to that current in the Perth metropolitan area
- The houses are designed appropriately for the climate of Perenjori shire for:
  - Optimising of the orientation of the building on the site
  - as a lifestyle concept that assumes the climate is appropriate for the enjoyment of outdoor living
  - an environmentally friendly passive designed low energy consumption house.
  - an environmentally friendly building with a low embedded energy
  - factory produced pre-finished components that require a minimum of on-site construction and finishing

The Tender:

Drawings and outline specifications for the house can be obtained from the ATC at The University of Western Australia, the Faculty of Architecture, Landscape and Visual Arts, M433, 35 Stirling Highway, Crawley, Western Australia, 6009, in hard copy form or in PDF format.

The drawings are based on a prefabricated timber truss frame designed to a 1200mm module. Variations in design/construction format that are documented in the tender set are as listed below. Tenderers are required to state which system or combination of systems they have priced to in their submission.

System Variables:

Footings and foundations:

Note: the particular site conditions at the Perenjori town site require that the finished ground floor level of the building is 300 mm above the road crown which is approximately 800 mm above grade on the proposed site.

System 1: Concrete slab on raised grade retained by reinforced block work wall. [Dwg. yy/zz]

System 2: Unipier HDG adjustable stumps bolted to mass concrete pad footings with:
A] conventional bearer/framed floor system
B] bearer and structural insulated panel by SIPS industries or similar approved
C] Lysaght ‘Quickafloor’ lightweight steel floor or similar approved

Walling variations:

System 1: Walls and windows are designed to a module of 1200 mm. Windows and doors all conform to the basic module dimension of 1200 mm. Some internal walls require 600 mm modules. No other dimensioned modules are needed. All dimensions are finished dimensions. Wall trusses are designed from 90mm X 45mm MGP10 H3 treated radiata pine with finish interior and exterior cladding and insulation to specification.
System 2: Using the same module drawing set, structural insulated panels by SIPS industries or similar approved,

System 3: System 1 may be adapted for construction in larger wall truss formats to meet the same overall dimensions

‘Wet’ modules: Bathrooms, Laundry.

Wet modules are constructed as completed plumbed and wired three dimensional modules; [that is with floor, walls and ceiling structure]

System 1: Constructed in timber stud frame to specifications with plywood cladding. Modules are lifted directly into position on the floor deck.

System 2: Constructed in structural insulated panels by SIPS industries or similar approved.

Roofing

Roof and roof structure is designed in prefabricated timber truss frames or similar approved with ventilated attic void in the truss depth. Roofing cladding is typical Zincalume custom orb sheeting.

Other Substitutions:

Substitutions of other materials are dealt with in the specifications document. In essence any materials or system substitutions must be noted in the tender submission. Reasons for the substitutions must be clearly stated. Proof of meeting the performance specifications and all the relevant Australian Standards and the Building Code of Australia requirements must be supplied with the tender submission.
### Executive Summary:

Council to consider the purchase of an administration server.

### Applicants Submission:

Since the upgrade to Synergy Records, an electronic filing system, the server we currently have is rapidly running out of storage and no longer has the ability to have the software upgraded. The Shire has a Win2000 server and needs to be upgraded to be able to upgrade the Synergy software to V8.1 and acquire more data storage.

### Background:

We have had many issues of late with the server in regards to emails not being sent/received, files not being able to be saved due to lack of hard drive space, half a day of lost productivity due to server failure, payments unable to be process and debtor invoices unable to be produced due to either lack of storage or not being able to upgrade to the latest version of Synergy.

### Statutory Environment:

*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:

Approximately between $13,155 and $14,500 for the server and installation. The Computer Reserve has a balance of $27,640.

### Strategic Implications:

Nil

### Consultation:

Discussions have been held with ITvision, Perfect Computer Solutions and Leading Edge Computers.

### Comment:

Nil.

### Voting Requirements:

Absolute majority

### Officers Recommendation:

That Council immediately purchase a new server using funds from the Computer Reserve at an estimated cost of $15,000. That this be recognised as unbudgeted expenditure.
Council Resolution:

Moved: Cr JA Bensdorp  Seconded: Cr GK Reid

That Council immediately purchase a new server using funds from the Computer Reserve at an estimated cost of $15,000. That this be recognised as unbudgeted expenditure

Carried: 5/0
Executive Summary:
The Water Corporation has contacted the Shire to follow up on apparent misuse of Council standpipes.

Applicants Submission:
Water Corporation wrote to the Shire as follows:

There are two standpipes in your Shire that have either been reported or indicate by the consumption that are being used for other than emergency fire fighting or drought relief. The standpipe on Mullewa-Wubin Road, Perenjori has a constant high cycle reading consumption. The last three consumption readings total 13073 kilolitres. The standpipe that you lease in Britt Street, Latham from PTA, it has been reported to me that this standpipe is being used by people to fill swimming pools and cart water (bulk) to other towns. The standpipe is not locked and there is no control by the Shire as to who uses this standpipe.

Water Corporation has indicated that any substantial requirement or long term use should be referred to the Water Corporation for consideration. A private contractor has made arrangement for a private standpipe (see separate item). In order to control usage it is proposed that Council adopts a standpipe water supply policy as follows:

3009 – Use of Council Standpipes
Standpipes attached to the Water Corporation provided to the Shire for the purposes of emergency fire fighting, drought relief and Shire use only. Any other use of water from Shire operated standpipes is only permitted with the express permission of the Water Corporation. To ensure that standpipes are only used in accordance with these requirements the following arrangements will apply:

1. Standpipes will be secured by padlocks;
2. Keys to the Perenjori standpipe will be held by The Shire of Perenjori (office and depot) and the Perenjori volunteer fire brigade;
3. Keys to the Latham Standpipe will be held by The Shire of Perenjori (office and depot) and the Latham Volunteer Fire Brigade;
4. The CEO may appoint local agents to hold spare keys subject to appropriate arrangements for ensuring access only for agreed purposes.
5. Requests for supply of water for commercial of farming use will be referred to the Water Corporation for consideration.
Background:
Standpipes are supplied to Local Government at subsidised rates on the following basis.

The provision of standpipes off Water Corporation scheme water mains is assessed on specific use, capacity in the system and or water allocation available. The standpipes are provided for emergency fire fighting, drought relief and shire use only and are charged accordingly.

The use of standpipes by Contractors for construction purposes such as dust suppression, road works and land development is not allowed. The Contractor is to contact the Water Corporation and once they have demonstrated that they have exhausted all avenues to source a non potable water supply and there is capacity in the scheme to provide them with a temporary water supply (with an Agreement that will not exceed two years) a separate service is installed for the Contractor for the period of the water requirement. All Contractors should be referred to the Senior Customer Services Officer on 99 234923.

Statutory Environment:
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:
Standpipes have operated on an honour system with usage recorded in a register. Recently recorded usage has been far less than metered usage.

Strategic Implications:
When there has been occasional usage in the past small amounts of usage other than for the intended purpose have not been a major issue. The proposed policy will place the responsibility back on Water Corporation, but will also demonstrate for government potential future supply constraints that have been disguised to some degree by informal arrangements.

Consultation:
Nil

Comment:
The CEO only recently became aware of the restrictions on the use of water from standpipes. The Shire will write to all people who have recently used Council standpipes to inform them of the changes.

Voting Requirements:
Simple Majority
**Officers Recommendation:**

That Council adopt the standpipe policy as follows:

**3009 – Use of Council Standpipes**

Standpipes attached to the Water Corporation provided to the Shire for the purposes of emergency fire fighting, drought relief and Shire use only. Any other use of water from Shire operated standpipes is only permitted with the express permission of the Water Corporation. To ensure that standpipes are only used in accordance with these requirements the following arrangements will apply:

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3. Keys to the Latham Standpipe will be held by The Shire of Perenjori (office and depot) and the Latham Volunteer Fire Brigade;
4. The CEO may appoint local agents to hold spare keys subject to appropriate arrangements for ensuring access only for agreed purposes.
5. Requests for supply of water for commercial of farming use will be referred to the Water Corporation for consideration.

**Council Resolution:**

Moved: Cr JR Cunningham

Seconded: Cr JA Bensdorp

That Council adopt the standpipe policy as follows:

**3009 – Use of Council Standpipes**

Standpipes attached to the Water Corporation provided to the Shire for the purposes of emergency fire fighting, drought relief and Shire use only. Any other use of water from Shire operated standpipes is only permitted with the express permission of the Water Corporation. To ensure that standpipes are only used in accordance with these requirements the following arrangements will apply:

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2. Keys to the Perenjori standpipe will be held by The Shire of Perenjori (office and depot) and the Perenjori volunteer fire brigade;
3. Keys to the Latham Standpipe will be held by The Shire of Perenjori (office and depot) and the Latham Volunteer Fire Brigade;
4. The CEO may appoint local agents to hold spare keys subject to appropriate arrangements for ensuring access only for agreed purposes.
5. Requests for supply of water for commercial of farming use will be referred to the Water Corporation for consideration.
6. Signage to be displayed at both Latham and Perenjori standpipes to advise of the new policy.

Carried: 5/0

**Amendment**

Point 6 added to resolution to advise users of the new policy.
Shire of Perenjori  
Ordinary Council Meeting  
MINUTES  
17th June 2010

10066.4 NEW STANDPIPE

APPLICANT:  PERENJORI AG-AGENCY
FILE: 0
DISCLOSURE OF INTEREST: 0
AUTHOR:  STAN SCOTT – CEO ________________________
RESPONSIBLE OFFICER  STAN SCOTT – CEO ________________________
REPORT DATE: 9 JUNE 2010
ATTACHMENTS  LETTER

Executive Summary:
Perenjori Ag-Agency requires shire permission for the establishment of a new private standpipe.

Applicants Submission:
Perenjori Ag-Agency has been requested to supply potable water the Karara Mining for its residential camp facilities until potable water supplies are established. In light of the restrictions on the use of Shire standpipes they are seeking to establish their own standpipe in the road reserve for the Wubin Mullewa Road 50 metres north of the existing shire standpipe.

Background:
See separate item – Standpipe Policy

Statutory Environment:
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
Strategic Implications:  Nil
Consultation:  Nil

Comment:
In light of the recent advice from Water Corporation on the use of Shire standpipes it would be appropriate to support the proposed development.

Voting Requirements:
Simple Majority

Officers Recommendation:
That Council support the application by Perenjori Ag-Agency for the establishment of a standpipe in the road reserve for the Wubin Mullewa Road 50 metres north of the existing shire standpipe.

Council Resolution:
Moved: Cr JR Cunningham      Seconded: Cr GK Reid

That Council support the application by Perenjori Ag-Agency for the establishment of a standpipe in the road reserve for the Wubin Mullewa Road 50 metres north of the existing shire standpipe

Carried: 5/0
Perenjori Ag-Agency
PO Box 340
Perenjori
WA 6620
(08) 9973 1111
0427 731 233

June 9, 2010

Mr Stan Scott (CEO)
Shire of Perenjori
Fowler Street
Perenjori
WA 6620

Dear Sir,

Re: Application for Standpipe

Perenjori Ag-Agency has approached the Water Authority regarding installing a standpipe for potable water. Before the Water Authority can proceed with our application we require approval from the Shire of Perenjori. The proposed site for the standpipe is 50 metres north of your existing standpipe on the road reserve. We request permission from the Shire of Perenjori to proceed.

Hoping this application meets with your approval.

Please feel free to contact me on the above numbers if you wish to discuss this matter further.

Yours sincerely,

Stephen King
Executive Summary:
The Annual Local Government Convention and Exhibition will be held again at the Perth Convention Exhibition Centre from 5 to 7 August 2010.

Applicants Submission:
The convention consists of two and a half full days of presentations and concurrent sessions on Thurs 5 August through to Midday on Saturday 7 August. On Saturday afternoon is the WALGA AGM where member motions are debated.

Council also needs to appoint two voting delegates for the AGM. In the past this has generally been the President and Deputy President if attending.

This year Council can also appoint proxy delegates in case either delegate is unavailable unexpectedly.

Background:
Each year elected members are given the option of attending. Council decided at the May Meeting to defer appointment of Delegates to this meeting.

Statutory Environment:
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

Strategic Implications:
The networking and professional development opportunities are important.

Consultation: Nil
Comment: Nil

Voting Requirements:
Simple majority

Officers Recommendation:
That Council appoint two delegates, and up to two proxy delegates to represent Council at the AGM.

Council Resolution
Moved: Cr JR Cunningham  Seconded: Cr CM Johnston

That the President Cr CR King and the Deputy President Cr LC Butler are nominated as delegates at the AGM and that Cr JA Bensdorp be nominated as a proxy

Carried: 5/0
Executive Summary:
MWRC met on 2 June 2010

Applicants Submission:
The primary issue considered at the June meeting was the consideration of the draft budget for 2010/11. A copy of the budget and the minutes are attached.

The specific costs applicable to the Shire of Perenjori are as follows:

<table>
<thead>
<tr>
<th>Project</th>
<th>Contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Zero Waste Management Plan Implementation</td>
<td>$10,000</td>
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<tr>
<td>EBPPP Project</td>
<td>$4,253</td>
</tr>
<tr>
<td>Main Roads Services Unit</td>
<td>$10,000</td>
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<tr>
<td>Development Services Unit (Garry Agnew)</td>
<td>$77,155</td>
</tr>
<tr>
<td>WELL Funded Training Program</td>
<td>$5,000</td>
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<tr>
<td>MWRC Operational Costs</td>
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<tr>
<td><strong>TOTAL</strong></td>
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</tbody>
</table>

Apart from project specific costs the budget shortfall is $10,000 per member Council.

Background:
Under the MWRC Establishment Agreement member Councils are responsible for an equal share of the budget shortfall of the budget adopted by the MWRC. This is similar in some respects to the process for Local Government setting rates.

Statutory Environment:
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:
The share expenses as set out in the table above will be included in the Shire of Perenjori Budget for 2010 / 11.
Strategic Implications:
The Midwest Regional Council is still involved in significant regional projects including:

- Training for Council staff under the WELL program - $3 from the commonwealth for each dollar provided by Councils;
- 20 Enterprise Based Productivity Places across 4 Shires – this gives key staff access to funded training to achieve relevant qualifications. Councils contributions approximates 10% of the cost;
- Main Roads road maintenance – the ongoing negotiations with main roads have the capacity to generate income for Shires in the North Midlands of anything from $1.5 Million to several million dollars each year;
- The MWRC is managing the tender process under Connecting Local Government Funding for data hosting and telecommunications solutions for Councils in the region.
- The Local Adaptation Pathways Project (LAPP) for managing climate change impacts in Local Government. The adaptation plans should provide compelling evidence for future funding;
- The regional Zero Waste Management Plan.

Consultation:
Transition arrangements between present structures and future structures are likely to remain a subject of extensive discussion.

Comment:
While the MWRC has not really emerged as a vehicle for the delivery of joint services it has been quite successful in attracting funding and managing joint strategic regional projects.

Voting Requirements:
Simple Majority

Officers Recommendation:
That Council include the cost allocations from the draft MWRC in the Shire of Perenjori draft Budget for 2010/11.

Council Resolution
Moved: Cr CM Johnston  Seconded: Cr JR Cunningham
That Council include the cost allocations from the draft MWRC in the Shire of Perenjori draft Budget for 2010/11
Carried: 5/0
Executive Summary:
The lease on the former barracks site has expired and a new 10 year peppercorn lease has been offered.

Applicants Submission:
Burgess Rawson wrote to the Shire in the following terms

Re: PTAWA L4216 Perenjori (Ex Banking Chamber)

Further to our previous discussions please find attached in triplicate the Licence to Occupy under which PTA grants a 10 year tenancy to the Shire of Perenjori.

Kindly note there has not been an error made with the drafting in regard to the rental – PTA has agreed that the rental can be reduced to Peppercorn on demand.

Can you kindly arrange for the documents to be checked and then signed under seal following which all three copies should be returned to this office.

PTA will then execute same and a fully executed document will be returned for the Shire of Perenjori's records.

The Ex Banking Chamber is the transportable building presently operated as a Beauty Therapy salon.

Background:
The lease arrangements allow the Shire to maintain control of the building.

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

The Shire of Perenjori Standing Orders Local Law 2000 requires a resolution of Council to apply the common seal to any document.

Policy Implications:
Nil

Financial Implications:
The fee payable is $1 per annum.

Strategic Implications:
The former banking chambers have been used on several occasions for start up small businesses.

Consultation: Nil
Comment:
At some point Council may wish to investigate changing the land tenure of the reserve, particularly for commercial development, but for the time being the current tenure is appropriate.

Voting Requirements:
Simple Majority

Officers Recommendation:
That Council authorise the application of the common seal of the Shire of Perenjori to a new 10 year peppercorn lease for the former banking chambers.

Council Resolution
Moved: Cr JA Bensdorp  
Secretary: Cr CM Johnston
That Council authorise the application of the common seal of the Shire of Perenjori to a new 10 year peppercorn lease for the former banking chambers.

Carried: 5/0
Executive Summary:

Visage promotions is producing the OUR TOWN television series, which will air on WIN TV regionally, and on Channel 9 in Perth metro, later this year.

Applicants Submission:

Mark Canny from the MWDC sent the following promotional detail from Visage Productions

**WIN TV - Our Town Advertising Opportunity**

Visage promotions would like to hear from anyone interested in taking part in the OUR TOWN television series, which will air on WIN TV regionally, and on Channel 9 in Perth metro, later this year. OUR TOWN will be broadcast over consecutive weeks from September/October 2010 and will be presented as half-hour presentations in a weekend late-afternoon time slot, featuring WA towns, and their surrounding areas:

The program, as well as strongly promoting tourism in each town, will also be featuring stories related to regional and economic development and we basically would like to feature the many businesses, companies and organisations that are helping the area, in which they operate, move forward, for the betterment of themselves and for the community. OUR TOWN would be an ideal opportunity for businesses and operators in the each region to feature their product to an extensive audience.

There are participation packages available to suit the business base in Geraldton and the Mid West, whether it be a feature on a mining company or operation, tourism, a Government related story, or a land development, any focus on a story with positive content. Each package includes pre-production and scripting, filming on location and editing of the final package. The video footage filmed on location, plus professional digital photographs, will be made available to each participant as part of the overall package. Within the price each operator will also receive a ready-made stand-alone DVD of their story, which could be used for various marketing opportunities.

Background:

The CEO has discussed the program with the company producing it and to make a program worthwhile requires a promotional income of at least $40,000. Mostly they are targeting regional centres, but with significant projects around Perenjori it would only take an investment of say $8-10,000 per project to make an episode based in Perenjori worthwhile. The Shire could make a similar contribution and would promote small business and residential opportunities in the town, as well as the town caravan park.

For commercial ventures it would seem to be a great way to raise investor awareness and interest, and to raise project profiles in the corridors of power. It would also allow projects to showcase working conditions and help attract skilled labour. Some of the major contractors may also be interested in taking advantage of this opportunity.
Statutory Environment:
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:
An allocation of $10,000 in the Shire of Perenjori Budget for 2010 / 11 would allow us to participate.

Strategic Implications:
The Shire of Perenjori is selling residential and industrial land and this would be a great way to raise the profile of the town for potential residents and small businesses.

Consultation:
The CEO has discussed the program with the producer and they expected to be targeting regional centres like Albany and Geraldton. To make a program worthwhile requires promotional income of $40,000. The CEO has passed on the information to project proponents and is awaiting responses.

Comment:
The CEO broached the possibility of making it a wider regional promotion covering the Perenjori and our 3 neighbours, but the producer thought this would not work well with the ‘our town’ theme. It may be possible to do a joint Perenjori Morawa promotion if there is insufficient interest from projects.

Voting Requirements:
Simple Majority

Officers Recommendation:
1. That Council allocate $10,000 in the 2010/11 budget for the our town promotion;
2. If there is insufficient interest from mining proponents to support a Perenjori episode that the CEO approach the Shire of Morawa to do a joint promotion.

Council Resolution
Moved: CM Johnston Seconded: Cr GK Reid
That Council allocate $10,000 in the 2010/11 budget for the our town promotion
Carried: 5/0

Amendment
Point 2 was discarded due to council deciding that the CEO should try to pursue the Perenjori only option.
Executive Summary:
The Structural Reform Working Group met on 10 June 2010 to do some preliminary work with one of the consultants assisting with the Business Planning process.

Applicants Submission:
There have been a range of developments in the Local Government Reform process.

Funding
The Minister for Local Government has written to the Shire advising that $1.7 Million plus GST has been allocated for the amalgamation process, including $500,000 which has been paid this financial year to the Shire of Mingenew as banker for the group.

Until the Local Government Advisory Board Processes are complete funding must be used on activities that will have benefits for the region regardless of the outcome of the process. More funding will be available if it is needed. The Minister’s letter is attached.

Business Planning
Five separate requests for proposal have been called for various elements of the planning process. Of these three have been awarded to consultants, but because of the time of the year we have not yet found consultants to take on the remaining projects. Details are below:

<table>
<thead>
<tr>
<th>Project</th>
<th>Consultant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategic / Governance</td>
<td>Morrison Lowe</td>
</tr>
<tr>
<td>Asset Management</td>
<td>Morrison Lowe</td>
</tr>
<tr>
<td>Human Resource Management</td>
<td>Risk ID</td>
</tr>
<tr>
<td>Records / Data</td>
<td>Not allocated</td>
</tr>
<tr>
<td>Financial planning</td>
<td>Not allocated</td>
</tr>
</tbody>
</table>

Local Government Advisory Board
The Local Government Advisory Board met on 1 June and arrived at the following timetable, as advised by email from the Department:

*The Board decided the 6 week public submission period will be conducted from Wednesday 21 July 2010 to Wednesday 1 September 2010.*

*It was agreed that the public hearings and meetings with the councils will be held during the week commencing 23 August 2010.*
The Board will meet with each local government individually and we will be as flexible as possible in relation to the dates and times for the meetings with the councils within this week. Meetings with each council will probably be held late afternoon. The public hearings will most likely be held from 7.00pm to 9.00pm following the meeting with the council.

Dates for meeting with individual Councils on week commencing 23 August 2010 have not yet been finalised, but Elected members should note that week in their diaries.

**Background:**

The Structural Reform Working Group consists of the CEO's and two representatives of each participating Council, notionally the President and Deputy President.

**Statutory Environment:**

*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

**Strategic Implications:** Nil

**Consultation:**

Feedback on the letter sent by the CEO to the community in a letter drop has been positive.

**Comment:**

The Local Government Advisory Board has delayed the public hearings so that the business planning process can help inform deliberations.

The financial support from the Department has been positive, but is still well short of the request in the submission. A significant part of the funds requested in the joint submission related to redundancy for senior officers displaced by the process. These payments would likely fall due in the 2011/12 financial year and the Minister has indicated that further funding will be available if needed.

The Working Group continues to work through the issues surrounding structural reform.

**Voting Requirements:**

Simple Majority

**Officers Recommendation:**

That Council request the following additional issues be considered in the business case.
Minister for Local Government; Heritage; Citizenship and Multicultural Interests

Our Ref: M1002193

Mr Stan Scott
Chief Executive Officer
Shire of Perenjori
PO Box 22
PERENJORI WA 6620

Dear Mr Scott,

I am pleased to advise that based on your original submission, the Shires of Mingenew, Morawa, Three Springs and Perenjori have been allocated $1.75 million to progress the amalgamation of their respective local governments under the Local Government Structural Reform Program (LGSRP). Local governments will be able to access funding through this program to assist with implementing reform for the benefit of their community. The amount awarded may be reviewed subject to a further submission being received and negotiated.

This amount will be made available in two instalments, with $550,000 being awarded in the current financial year. The remaining $1,200,000 will be available in the 2010-11 financial year, subject to a proposal being submitted to the Department of Local Government indicating the purpose of the funding.

The Shire of Mingenew has already received $50,000 for a Project Officer. I can now advise that I have also approved further funding assistance of $100,000 for maintenance of the Project Officer position, and $34,000 for management of the communications tender. The amount of funding already awarded to the Shire will be deducted from the total allocation of $1.75 million, with funds of $366,000 remaining to be paid in the current financial year.

As the group's amalgamation proposal is currently before the Local Government Advisory Board, it will be a condition of the allocation of funds that it is to be used towards common operating systems and infrastructure that, should the amalgamation not proceed, will deliver ongoing benefit to the community and each local government.

Please note that should the funds allocated to your amalgamation group prove insufficient as you progress with amalgamation, the Department may consider additional requests on a case by case basis.
In order to process the funding, the amalgamating group is required to select a participant to undertake the role of administrator on behalf of the group and act as the Recipient for the funds. I understand that the Shire of Mingenew has agreed to undertake this role. A representative from the Department of Local Government will contact the Shire shortly regarding the administration of the grant.

Thank you again for your on-going support for the State Government's reform agenda.

Yours sincerely

G M (John) Castrilli MLA
MINISTER FOR LOCAL GOVERNMENT; HERITAGE;
CITIZENSHIP AND MULTICULTURAL INTERESTS
- 2 JUN 2010
The Economic Direction:

1. Maintain/encourage regional government agencies (agriculture, water, western power)
2. Grain freight network
3. Delivery of state services by local government
4. Mining - economic/community synergies
5. Tourism - cultural heritage,
6. ETS
7. Managing conservation estate
8. Renewable energy

The Environmental Direction:

1. Regional Environment centre
2. New local Government Biodiversity Strategy
3. GM
4. Climate change impact on local regional infrastructure
5. Change of land use
6. Regional pan
7. Cooperation with mining industry
8. Support Environmental advocacy groups
9. Resource smart shire
10. Local Management unallocated crown land (adequately resourced)
11. Waste management

The Physical Direction:

1. Housing – short term, general stock, tourism, workers
2. Mingenew/Perenjori reticulated sewerage
3. Comprehensive asset management
4. Dental/medical
5. Child care facilities
6. Regional waste management
7. Roads – wider road pavements
8. Recreation facilities
9. Strategic industrial commercial plan
The Social Direction:

1. Recreation facilities (budget allocation)
2. Communication information
3. Integrate community with mine development
4. Economic development (regional)
5. Regional planning for recreation
6. Regional cultural plans
7. Support Iconic events
8. Coordination community groups
9. Regional connection with social/safety services
10. Partnership state government agencies
Executive Summary:
Main Roads WA is seeking assurance from Council that we are close to resolution on the issues set out in the MOU signed by Councils.

Applicants Submission:
Council is being requested to advise Main Roads WA the position set out in the current draft of the Services Agreement issued to the Councils on 14 May 2010 in respect of the matters covered in that draft and the process for finalising any outstanding substantive matters under the Services Agreement in accordance with the MOU as set out in this letter.

The substantive matters are:
- the relevant services and the relevant roads to which the Services Agreement will apply;
- the standards to which the Councils must deliver those relevant services under the Services Agreement;
- the term of the Services Agreement;
- the obligations of each of the parties under the Services Agreement; and
- the commercial model which will apply under the Services Agreement.

Background:
The working group comprised of Mark Hook, Stan Scott and Ian Fitzgerald have been working in conjunction with the Chief Executive Officer of the Mid West Regional Council, representatives of Main Roads WA, other MWRC CEO’s and Staff (as required) on the proposed Main Roads Service Agreement and accompanying schedules.

Legal advice has been sought on behalf of Councils to comment on the draft agreement. Some drafting changes recommended by Civic Legal are agreeable to Main Roads, however there still requires further negotiation on some points of the agreement. Schedules to the agreement have been constructed which set out at a high level the processes and organisational structure underpinning the agreement. Although a risk assessment has taken place, the insurance aspect is still to be workshopped and added as a schedule to the agreement.

Each Council received the following letter from Main Roads WA in relation to the Service Agreement with Main Roads:

I refer to the ongoing discussions between Main Roads and Council representatives in our attempt to reach an agreement on the above. In particular, I refer to:
(a) the Memorandum of Understanding entered into between Main Roads and the Shires of Coorow, Mingenew, Morawa, Mullewa, Perenjori and Three Springs dated 22 February 2010, under which Main Roads and the Councils agreed to use their best endeavors to reach agreement on a services agreement for the delivery by the Councils of certain road asset management services on a portion of Main Roads’ road network; and

(b) the numerous discussions and workshops held between Main Roads and the Council representatives in respect of the development of the Services Agreement. Notwithstanding the works undertaken to date, clause 2(a)(2) of the MOU provides that, unless otherwise agreed, the MOU will terminate if the parties have not reached agreement in respect of all of the substantive matters of the Services Agreement by 25 June 2010.

The substantive matters of the Services Agreement include:

(a) the relevant services and the relevant roads to which the Services Agreement will apply;

(b) the standards to which the Councils must deliver those relevant services under the Services Agreement;

(c) the term of the Services Agreement;

(d) the obligations of each of the parties under the Services Agreement; and

(e) the commercial model which will apply under the Services Agreement.

The details of a number of these matters are included in the current draft of the Services Agreement which was issued to the Councils on 14 May 2010 and additional information has been provided which is being included into the draft agreement. It is my intention that Main Roads will issue a revised draft of the Services Agreement that will address these additional matters later this week.

However, to date, Main Roads has not received any formal advice from your Council in respect to the content of current draft.

To enable Main Roads to understand your Council’s acceptance of the content of the current draft agreement, can you please advise me as soon as possible of your Council’s position with respect to its agreement of all of the substantive matters by 25 June 2010 as set by clause 2(a)(2) of the MOU.

A key outstanding matter to be included in the Services Agreement is the liability and insurance regime. Main Roads considers this to be a substantive matter requiring agreement prior to 25 June 2010.

As previously discussed, Main Roads would propose holding a workshop with the Council representatives and advisers as soon as practicable to agree and finalise the liability and insurance regime for insertion in the Services Agreement. However, until there is an understanding that the Councils are in agreement with the other matters, it is considered that there may not be value in holding this workshop.
Therefore, as a matter of urgency and given the timeframe set by clause 2(a)(2) of the MOU, would you please advise me in writing of your Council's position on the following:

(a) the position set out in the current draft of the Services Agreement issued to the Councils on 14 May 2010 in respect of the matters covered in that draft; and

(b) the process for finalising any outstanding substantive matters under the Services Agreement in accordance with the MOU as set out in this letter.

Statutory Environment:
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:
$1,500 to $2,000 per Km is a rough guide to the MRWA annual budget for routine maintenance on the network.

Direct costs and overheads will be reimbursed. There is no margin or profit to be added however there is also no financial risk to bear as Main Roads will carry cost of any rework required.

Strategic Implications:
Nil

Consultation:
Nil

Comment:
Council received the following email from the Chief Executive Officer of the MWRC on the 9th June 2010:

There have been some changes since our meeting with Main Roads last Tuesday (1st June 2010).

a) Main Roads are to submit an application (today or tomorrow) to the Commissioner for Main Roads for a 2 week extension of time (from 25th June in acknowledgement of Brian’s 2 week leave taking). Brian is to send me a copy of the application today and councils are going to be requested to endorse this action as well as reply that they have a basic understanding of the 5 main elements of the MOU we are seeking to bed down by the cut off date.

b) On receipt of our legal advice, Main Roads have instructed Freehills to make the drafting changes suggested by Civic Legal and will add comments on other sections of the agreement that need further discussion between all parties. The latest draft (with the changes and comments) will be circulated later this week.

Council will be given the full documentation in relation to the Service Agreement when it is completed.

Response to Main Roads Correspondence
The position set out in the current draft of the Services Agreement issued to the Councils on 14 May 2010 in respect of the matters covered in that draft:

(i) Mid West Regional Council instructed Civic Legal to review the draft service agreement (as of 18th May 2010) and identify clauses or other aspects of the agreement that might carry risks that the Council should be alerted to and propose action and alternative wording to the agreement to strengthen the Council’s position.
Civic Legal were also asked by MWRC to advise on whether competition policy or law would operate in relation to the agreement and whether the proposed prohibition against Council adding a margin or profit could be construed as anti-competitive conduct prohibited by law.

The advice provided by Civic Legal on both matters above has been conveyed to Main Roads who have instructed their legal representatives to make the drafting changes suggested by and also to add comments on other sections of the agreement that need further discussion between all parties. i.e. Main Roads do not necessarily agree with all of Civic Legal’s recommendations for change and wish to have further dialogue with the working group on certain points.

Main Roads will forward the amended agreement later this week and it is planned to hold further discussion at the TAG meeting on 18th June 2010 to develop our position on the comments to the agreement before meeting with Main Roads.

The process for finalising any outstanding substantive matters under the Services Agreement in accordance with the MOU:

<table>
<thead>
<tr>
<th>Substantive Matters</th>
<th>Status</th>
<th>Process for Finalising</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. The relevant services and the relevant roads to which the Services Agreement will apply;</td>
<td>Finalised</td>
<td></td>
</tr>
<tr>
<td>b. The standards to which the Councils must deliver those relevant services under the Services Agreement;</td>
<td>Have agreed at high level.</td>
<td>A number of operational plans and methods of operations will require development and/or finalisation prior to the execution of the agreement and will be developed with the assistance of Main Roads. Governance Plan to be developed / finalised following the execution of the agreement.</td>
</tr>
<tr>
<td>c. The term of the Services Agreement;</td>
<td>The draft suggests 5 years, with a 1 year extension option based on strategic reviews. The yearly strategic reviews will enable the term to be extended more than once if positive results are obtained from those reviews. There has been a suggestion of extending to a 10 year initial term, with a similar option to extend, with such extension being a joint review process and agreement between the Shires and MRWA.</td>
<td>Individual Councils required to provide their preference for either: 5 years with a 1 year option for extension at MRWA discretion; or 10 years initial term, with a similar option to extend, with such extension being a joint review process and agreement between the Shires and MRWA.</td>
</tr>
</tbody>
</table>
### Ordinary Council Meeting

**MINUTES  17th June 2010**

| d. The obligations of each of the parties under the Services Agreement; and | Individual Councils required to accept arrangement as presented with this agenda item. (formal agreement required by each council that they agree with the arrangement as presented) | a) Litter collection – detail of how this is to be delivered to be finalised by councils and added to schedule of services.  
   b) How works will be delivered: - i.e.  
      - Location of maintenance crews;  
      - Which council would host / supervise / house and employ them;  
      - Employment of Project Manager and Inspection Crews by MWRC. |
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<tbody>
<tr>
<td>e. The commercial model which will apply under the Services Agreement.</td>
<td>Individual Councils required to accept arrangement.</td>
<td>Concept of Direct Cost plus overhead (no margin or profit) to be agreed to by Individual Councils.</td>
</tr>
</tbody>
</table>

As the agreement will be between Main Roads WA and each Council it is important that Councils provide a consistent response to the correspondence from Main Roads.

**Voting Requirements:**

Simple Majority

**Officers Recommendation:**

*Council replies to the correspondence received from Main Roads WA advising that:*

1) **As a result of legal advice received in relation to the draft Service Agreement there remains some matters still to be determined and Council is committed to continuing negotiations to reach mutual agreement. It is proposed that the working group will meet to establish a position on the matters to be resolved prior to meeting with Main Roads.**

2) **Council understands and agrees to the service delivery arrangements proposed by the working group as presented in attachment 1.**

3) **In relation to the outstanding substantive matters under the service agreement in accordance with the MOU, Council is proposing the following actions to finalise the process:**

   a) The relevant services and the relevant roads to which the Services Agreement will apply have been finalised;

   b) The standards to which the Councils must deliver those relevant services under the Services Agreement - A number of operational plans and methods of operations will be developed and/or finalised prior to the execution of the agreement with the assistance of Main Roads while the Governance Plan is to be developed / finalised following the execution of the agreement;

   c) **Term - An initial term of 5 years, with a 5 year extension option based on annual strategic reviews with such extension being a joint review process and agreement between the Shires and MRWA will be requested.**

   d) **Council agrees to the service delivery arrangements / structure proposed by the working group as presented in attachment 1.**

   e) **The commercial model to apply under the Services Agreement being the concept of Reimbursement of Direct Costs plus overheads (no margin or profit to be included) is understood and agreed to by Council, subject to no risk to Council.**
Council Resolution

Moved: Cr JA Bensdorp  Seconded: Cr CM Johnston

Council replies to the correspondence received from Main Roads WA advising that:

1) As a result of legal advice received in relation to the draft Service Agreement there remains some matters still to be determined and Council is committed to continuing negotiations to reach mutual agreement. It is proposed that the working group will meet to establish a position on the matters to be resolved prior to meeting with Main Roads.

2) Council understands and agrees to the service delivery arrangements proposed by the working group as presented in attachment 1.

3) In relation to the outstanding substantive matters under the service agreement in accordance with the MOU, Council is proposing the following actions to finalise the process:
   a) The relevant services and the relevant roads to which the Services Agreement will apply have been finalised;
   b) The standards to which the Councils must deliver those relevant services under the Services Agreement - A number of operational plans and methods of operations will be developed and/or finalised prior to the execution of the agreement with the assistance of Main Roads while the Governance Plan is to be developed / finalised following the execution of the agreement;
   c) Term - An initial term of 5 years, with a 5 year extension option based on annual strategic reviews with such extension being a joint review process and agreement between the Shires and MRWA will be requested.
   d) Council agrees to the service delivery arrangements / structure proposed by the working group as presented in attachment 1.
   e) The commercial model to apply under the Services Agreement being the concept of Reimbursement of Direct Costs plus overheads (no margin or profit to be included) is understood and agreed to by Council, subject to no risk to Council.

Carried: 5/0
Service Delivery Structure a)

Governance Team Composition
- 1 from each council
- 2 from Main Roads
- Maximum number of 8
- Observers can attend e.g. ISP
- Flexibility built in to allow for amalgamations etc

Joint Process Management Team (JMT) Composition
- A core team of 2
  - 1 from Main Roads to act as an initial Project Manager
  - 1 from the LG Delivery Organisation (The “Manager” of the LG Delivery Organisation)
  - Others to be invited as required

Role of the Joint Process Management Team
- To “jointly” manage the shared processes required to manage and operate the Mid West Road Service Delivery Organisation
- Manage the Transition
  - Initially develop a Transition Plan
  - Required ASAP
- Development of the Annual Works Plan
- Performance Monitoring
- Review of Audit Reports
- Improvement Planning and Implementation
- Systems integration (compatibility)
  - E.g. Safety process integration
- Drive continuous improvement
- Identify opportunities
- Operational Risk Management
Service Delivery Structure b)

Employed by Councils

Employed by MWRC

Management (1)
- Planning
- Budgeting
- Cash flow management
- Financial control
- Resourcing
- Performance Measurement (KRA/KPIs)
- OHS - including management systems integration (1)
- Environment
- Quality
- Stakeholder MGT

Supervision/Management (Employed by MWRC)
- Connectivity between all works and with works by ISAs
- Works Project Manager (1)
- High level person required initially to implement project and develop processes.

Inspections and Reporting (Inspection Plan)
(Employed by MWRC)
- Road Runner (1)
- Planned inspections (2)
- Plugged in and connected
- Based in the region but employed by MWRC.
- Supervised by MWRC Works Project Manager.

Routine Maintenance
(Employed by Shires)
- Routine Maintenance Crews – east and west
- 2 crews of 2 (i.e. 4 people)
- Based in Leoman and Perenjori
- Employed by Shires of Coolow and Perenjori.
- Supervised directly by shire supervisor and supplemented as required by additional shire crew.

Litter Collection & Rest area Maintenance
- Bins done by existing council services where available.
- Roadside and Rest area litter pick up agreement with RM driven by budget and need (various methods, community fundraising etc)
- Rest areas toilets and specialist tasks (individually planned and agreed to).

Emergency Response
- Storms, accidents, spills etc
- ERP to be established
- Scenarios will indicate method of service delivery.
- To be agreed with RM.

Projects (Planned)
- MWRC
- Shoulder Guarding Rehab
- Drainage maintenance
- Lids Signs

- Annual Planning - early identification of suitable projects and specific tasks
- Regular (scheduled) joint planning meetings to proactively identify opportunities
- Work in partnership with ISA develop individual project approach’ methodology
- Capability building over time
- Programming, resourcing and costing is done as part of the planning process.
Dear Mr Scott

MID WEST LOCAL COUNCILS SERVICES AGREEMENT

I refer to the ongoing discussions between Main Roads and Council representatives in our attempt to reach an agreement on the above.

In particular, I refer to:

(a) the Memorandum of Understanding entered into between Main Roads and the Shires of Coorow, Mingenew, Morawa, Mullewa, Perenjori and Three Springs dated 22 February 2010, under which Main Roads and the Councils agreed to use their best endeavours to reach agreement on a services agreement for the delivery by the Councils of certain road asset management services on a portion of Main Roads' road network; and

(b) the numerous discussions and workshops held between Main Roads and the Council representatives in respect of the development of the Services Agreement.

Notwithstanding the works undertaken to date, clause 2(a)(2) of the MOU provides that, unless otherwise agreed, the MOU will terminate if the parties have not reached agreement in respect of all of the substantive matters of the Services Agreement by 25 June 2010.

The substantive matters of the Services Agreement include:

(a) the relevant services and the relevant roads to which the Services Agreement will apply;

(b) the standards to which the Councils must deliver those relevant services under the Services Agreement;

(c) the term of the Services Agreement;

(d) the obligations of each of the parties under the Services Agreement; and

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The details of a number of these matters are included in the current draft of the Services Agreement which was issued to the Councils on 14 May 2010 and additional information has been provided which is being included into the draft agreement. It is my intention that Main Roads will issue a revised draft of the Services Agreement that will address these additional matters later this week.

However, to date, Main Roads has not received any formal advice from your Council in respect to the content of current draft.

To enable Main Roads to understand your Council’s acceptance of the content of the current draft agreement, can you please advise me as soon as possible of your Council’s position with respect its agreement of all of the substantive matters by 25 June 2010 as set by clause 2(a)(2) of the MOU.

A key outstanding matter to be included in the Services Agreement is the liability and insurance regime. Main Roads considers this to be a substantive matter requiring agreement prior to 25 June 2010.

As previously discussed, Main Roads would propose holding a workshop with the Council representatives and advisers as soon as practicable to agree and finalise the liability and insurance regime for insertion in the Services Agreement. However, until there is an understanding that the Councils are in agreement with the other matters, it is considered that there may not be value in holding this workshop.

Therefore, as a matter of urgency and given the timeframe set by clause 2(a)(2) of the MOU, would you please advise me in writing of your Council’s position on the following:

(a) the position set out in the current draft of the Services Agreement issued to the Councils on 14 May 2010 in respect of the matters covered in that draft; and

(b) the process for finalising any outstanding substantive matters under the Services Agreement in accordance with the MOU as set out in this letter.

Please contact me on 93234641 if you have any queries.

Yours faithfully

J W B Noble

DIRECTOR
OPERATIONAL ASSET MANAGEMENT
10067 OTHER BUSINESS

10067.1 INFORMATION BULLETIN – TABLED IN THE COUNCIL CHAMBERS

- Monitoring of the Australian petroleum industry – Summary 2009
- About the House, Issue 40 May 2010
- Royalties for Regions Mid West, Edition 1 April 2010
- Mining Chronicle, June 2010
- Oil and Gas Bulletin June 2010
- Mine Style, Winter 2010
- WALGA Info Page – Roads to Recovery Funding, 14 May 2010
- WALGA Info Page – Fitness Class Licence Scheme, 18 May 2010
- WALGA Info Page – Freight and Logistics Council of WA, 20 May 2010
- WALGA Info Page – Western Power Update, 2 June 2010
- WALGA Info Page – Benchmarking Study into Planning Zoning and Development Assessments 26 May 2010
- Department of Immigration and citizenship, Cessation of the 2 in 5 year residence requirement on 30 June 2010
- Letter to Cr King regarding Proposal to Amalgamate the shires of Morawa, Perenjori, Three Springs and Mingenew dated 16 April 2010
- WALGA Membership for 2010/2011
- WALGA 2010 Local Government Convention, Diploma in Local Government
- WALGA Economic Briefing, May 2010 and May 2010 State Budget Edition
- WALGA Planning and Community Development Newsletter, editions 17 & 18
- Local Government Reform Steering Committee, Bulletin No 2 2010
- Rural Health West Board Communiqué, May 2010
- Department of Local Government Circular No 03-2010
- Discrimination Matters, May 2010
- Aged Care Insite, June-July 2010
10067.2 MOTIONS OF WHICH DUE NOTICE HAVE BEEN GIVEN
Nil

10067.3 QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN
Nil

10067.4 URGENT BUSINESS APPROVED BY THE PERSON PRESIDING OR BY DECISION
Late Items 10067.4.1 Surplus Plant Tender and 10047.4.2 MOU with DEC – Pastoral Lands were accepted by Chairman Cr LC Butler

10067.4.1 SURPLUS PLANT TENDERS

<table>
<thead>
<tr>
<th>APPLICANT:</th>
<th>KEN MARKHAM – WORKS SUPERVISOR</th>
</tr>
</thead>
<tbody>
<tr>
<td>FILE:</td>
<td>0</td>
</tr>
<tr>
<td>DISCLOSURE OF INTEREST:</td>
<td>0</td>
</tr>
<tr>
<td>AUTHOR:</td>
<td>KEN MARKHAM – WORKS SUPERVISOR</td>
</tr>
<tr>
<td>RESPONSIBLE OFFICER</td>
<td>KEN MARKHAM – WORKS SUPERVISOR</td>
</tr>
<tr>
<td>REPORT DATE:</td>
<td>16th June 2010</td>
</tr>
<tr>
<td>ATTACHMENTS</td>
<td>Tender</td>
</tr>
</tbody>
</table>

Executive Summary:
Tenders were called for locally for the sale of three items of surplus plant that had not been previously sold.

Applicants Submission:
One tender has been received for the sale of the side tipper that Council had advertised for sale. This was from Mr Adam Leopold for $20,000 plus GST.
No other tenders were received.
Council will now need to decide whether to accept the tendered price from Mr Leopold or to send the side tipper to auction along with the low loader and the Mack prime mover.

Background:
Council had previously tried to sell the surplus plant twice before, and due to local interest it was again decided to offer the plant locally.
The side tipper was reserved at $30,000, the low loader at $30,000 and the Mack prime mover at $50,000.

Statutory Environment:
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
Strategic Implications: Nil
Consultation: Nil
Comment: Nil
Voting Requirements:
Simple majority

Officers Recommendation:
That Council either:
1. Accept the tender from Mr Adam Leopold for the side tipper of $20,000 plus GST and send the Mack prime mover and Low loader to auction.

2. Not accept the tender from Mr Adam Leopold for the side tipper of $20,000 plus GST and send it along with the Mack prime mover and Low loader to auction.

Council Resolution
Moved: Cr JA Bensdorp Seconded: Cr GK Reid
1. Accept the tender from Mr Adam Leopold for the side tipper of $20,000 plus GST and send the Mack prime mover and Low loader to auction.
Carried: 5/0
Wish to place an expression of interest for the following tendered items of plant as advertised closing 11th June, 2010.

Tender # 3/2010: Low Loader
Price: $_____________ + GST

Tender # 9/2010 BTS Tri Axle Flex Side Tipper
Price: $20,000.00 + GST

Tender # 8/2010 Mack Fleet Liner Prime Mover
Price: $_____________ + GST

Signed:
10067.4.2 MOU WITH DEC – PASTORAL LANDS

APPLICANT: SHIRE OF PERENJORI
FILE: 0
DISCLOSURE OF INTEREST: 0
AUTHOR: STAN SCOTT – CEO

RESPONSIBLE OFFICER STAN SCOTT – CEO

REPORT DATE: 14 JUNE 2010
ATTACHMENTS DRAFT MOU

Executive Summary:
DEC has provided a draft MOU for the payment of rates equivalents for former pastoral stations of Karara and Lochada.

Applicants Submission:
A copy of the MOU is attached. It provides for the payment of rates equivalents with an escalation clause based on the Local Government cost index. The MOU will cover the period from the expiry of the previous MOU through to 2015.

Background:
When DEC first acquired Karara and Lochada Stations in 2004 a 3 year MOU was agreed. This MOU expired in 2007 and has not been replaced until now. We have continued to apply charges, and most of these charges have recently been cleared by DEC.

Statutory Environment:
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:
Rates equivalents for the two stations will start at $4,050.78 and increase year by year in accordance with the Local Government Cost Index.

Strategic Implications: Nil

Consultation: Nil

Comment:
The CEO and Shire President are scheduled to do a day trip with DEC to review DEC’s plans for pastoral stations.

Voting Requirements:
Simple majority

Officers Recommendation:
That Council authorise the CEO and Shire President to execute the MOU with DEC.
Council Resolution

Moved: Cr GK Reid Seconded: Cr JR Cunningham

That Council authorise the CEO and Shire President to execute the MOU with DEC

Carried: 5/0
MEMORANDUM OF UNDERSTANDING
Between
THE DEPARTMENT OF ENVIRONMENT AND CONSERVATION
And
SHIRE OF PERENJORI

1. Background and purpose of this document

The Department of Environment and Conservation (DEC) manages approximately 3.8 million hectares of former pastoral lease (referred to as Properties in this Memorandum of Understanding) in the southern rangelands for the purpose of conservation. Properties purchased since 1997 were acquired through a voluntary acquisition program jointly funded by the State Government under the Gascoyne Murchison Strategy and the Commonwealth Government under the National Reserve System Program of the Natural Heritage Trust with the objective of creating a comprehensive, adequate and representative conservation reserve system in the rangelands.

This Memorandum of Understanding (MOU) between DEC and the Shire of Perenjori describes the terms and conditions of a funding arrangement with the local government authority in return for the provision of services previously provided to these properties.

2. Scope of Agreement

DEC agrees to pay an annual amount of money to the Shire of Perenjori as specified in Section 3 of this Agreement.

The MOU provides for:
(a) The ongoing maintenance of Shire owned / managed access roads and through roads to the properties as noted in Schedule 1 and other properties acquired by DEC in the future, to a standard not less than expected for other similar gazetted roads within the Shire of Perenjori.
(b) Maintenance of other Shire managed facilities on the properties.
(c) Termination of this agreement if maintenance standards and value for money are considered to be significantly below expectations or are no longer required.
(d) Additional properties to be included in the MOU from date of purchase by DEC, as notified by DEC from time to time.

3. Amount to be paid

(a) The annual amount to be paid subject to this agreement shall be based on the rates levied on the properties for the financial year at date of acquisition (the base year) and apportioned as appropriate for that first year applicable to each property and will be paid annually upon receipt of an invoice for services from the Shire, until the MOU ceases.
(b) The annual amount is not to include the Emergency Services Levy or any other fee or charge levied by the Shire of Perenjori or other body.
(c) Payment will only be made for the forthcoming year subject to written confirmation from the Shire of Perenjori that the previous year’s payment has been expended on items listed in Section 2 subsections (a) and (b) of this MOU.
(d) Except by negotiation, the annual amount shall be subject to a percentage increase not exceeding the WA Local Government Cost Index, as calculated and published by the
Western Australian Local Government Association (WALGA), as at 30 June immediately prior.

(e) Payment to the Shire of Perenjori will be made by the DEC office responsible for the management of the property on receipt of a tax invoice for the agreed amount.

(f) Tax invoices are to separately identify each individual property and the corresponding amount owing for that property.

4. Effective date and length of Agreement

This MOU will commence from the 23 July 2007 and will be enacted on the date of its signing and remain in effect for a period of five (5) years from the date of signing subject to annual review, at which time the terms and conditions of any extensions of the MOU will be determined and modified by mutual agreement.

This MOU may be terminated prior to the expiry date by mutual agreement of DEC and the Shire of Perenjori, subject to at least six (6) months notice.

Any dispute arising out of the interpretation or implementation of this MOU will be settled amicably by consultation between DEC and the Shire of Perenjori. Failure to reach settlement will automatically result in termination of the MOU.

IN WITNESS WHEREOF, the representatives of each agency have signed this MOU on

The ………………………… day of ………………………… 2010

THE COMMON SEAL of
The Shire of ………………………
is hereunto affixed by the authority of a resolution of the Council in the presence of:

……………………………………… Shire President

……………………………………… Chief Executive Officer

For the Department of Environment and Conservation:

……………………………………… District Manager, Geraldton District

Signed in the presence of:

………………………………………
SCHEDULE 1

List of DEC purchased properties within the Shire of Perenjori as of the 31 January 2010.

<table>
<thead>
<tr>
<th>Property Name</th>
<th>Calculated Base Rate as at 30 June 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Karara</td>
<td>Combined Amount $4,050.78</td>
</tr>
<tr>
<td>Lochada</td>
<td></td>
</tr>
</tbody>
</table>
10067.5 MATTERS BEHIND CLOSED DOORS

10067.6 DATE OF NEXT MEETING / MEETINGS
The next Ordinary Council Meeting will be held on the 15\textsuperscript{th} July 2010

10067.7 CLOSURE

With no further business the Ordinary Council meeting was officially closed at 4.35pm

I certify that this copy of the Minutes is a true and correct record of the meeting held 17\textsuperscript{th} June 2010.

Signed: ______________________
Presiding Elected Member
Date: ______________________