Shire of Perenjori
Ordinary Meeting
MINUTES
18 February 2010

Shire of Perenjori
MINUTES
Ordinary Council Meeting
To be held in the Shire of Perenjori Council Chambers, Fowler Street, Perenjori on 18 February 2010, to commence at 1.30pm

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MINUTES 18 February 2010

10021 PRELIMINARIES

10021.1 DECLARATION OF OPENING AND ANNOUNCEMENT OF VISITORS

Meeting was officially opened at 1.37pm.

10021.2 OPENING PRAYER

10021.3 DISCLAIMER READING

10021.4 RECORD OF ATTENDANCE, APOLOGIES AND LEAVE OF ABSENCE

Attendance
Cr Chris King
Cr Laurie Butler
Cr Graeme Reid
Cr Jenny Hirsch
Cr John Bensdorp
Cr Rodney Desmond
Cr John Cunningham
Cr Robyn Benton
Cr Cathy Johnston
Stan Scott, CEO
Rose Jones, Deputy CEO
Ken Markham, Works Supervisor
Phil Cleaver, Economic Development Officer
Kimberley Wheeler, Executive Assistant

Apologies
Gary Agnew, Manager of Community Services

10021.5 SWEARING IN OF NEWLY ELECTED COUNCILLOR

Mrs Cathy Johnston was elected unopposed for the remaining Vacancy on the Perenjori Ward for the Shire of Perenjori. As a newly elected Councillor Mrs Johnston swore an oath or affirmation of allegiance which was witnessed by Cr Robyn Benton.

10021.6 PUBLIC QUESTION TIME

10021.7 PETITIONS / DEPUTATIONS / PRESENTATIONS
10021.8 NOTATIONS OF INTEREST

Financial Interest – Local Government Act s 5.60A
Proximity Interest – Local Government Act s 5.60B
Interest Affecting Impartiality – Shire of Perenjori Code of Conduct.

Cr John Cunningham verbally informed council of a Proximity Interest in Item
• 10026.3 Exploration License Application, due to it being on a neighbouring property to Cr Cunningham’s, and
• 10027.4.1 Late Item, Planing Consent Farm Revegetation, due to Cr Cunningham offering the sale of land to those within the same industry.

10021.9 APPLICATIONS FOR LEAVE OF ABSENCE

10021.10 CONFIRMATION OF MINUTES

Minutes of Ordinary meeting of Council held 17 December 2009 are attached

Moved: Cr Laurie Butler    Seconded: Graeme Reid
That the Minutes of Ordinary meeting of Council held on 17 December 2009 are a true and accurate record, subject to the “9\textsuperscript{th} to 11\textsuperscript{th} July 2009” being changed to “9\textsuperscript{th} to 11\textsuperscript{th} July 2010” in item number 9127.4.3 Midwest Caravan Club Treckabout.

Carried:    9/0

10021.11 ANNOUNCEMENTS BY PERSON PRESIDING WITHOUT DISCUSSION

1.44pm CEO Stan Scott left the meeting.

Elected Members were notified that the Midwest Regional Council is hosting Elected Member training on 30\textsuperscript{th} March, and were advised to contact the Executive Assistant by COB 18\textsuperscript{th} February to register their interest.

1.45pm CEO Stan Scott returned to the meeting

10021.12 MATTERS FOR WHICH MEETING MAY GO BEHIND CLOSED DOORS
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 December 2009 including report on variances be accepted as presented.

2. Finance Report
That the Finance Report for the period ended 31st December 2009 be accepted as presented.
3. Acquisition of Assets
That the Acquisition of Assets Report for the period ended 31st December 2009 with a balance of $2,445,066.00 as presented be received.

4. Reserves Report
That the Reserves Report for the period ended 31st December 2009 with a balance of $1,361,312.00 as presented be received.

5. Net Current Assets
That the Net Current Assets report for the period ended 31st December 2009 as presented be received.

6. Bank Reconciliation’s
That the balances of the Municipal Fund of $827,772.04 and the Trust Fund of $43,226.47 as at 31st December 2009 as presented be received.

7. Sundry Creditors Report
That the Sundry Creditors Report for the period ended 31st December 2009 with a balance of $335,549.21 as presented be received.

8. Sundry Debtors Report
That the Sundry Debtors Report for the period ended 31st December 2009 with a balance of $119,703.71 as presented be received.

9. Accounts for Payment
That the Accounts for payment for the Municipal Account consisting of Cheque Numbers 17328 to 17359 and EFT Numbers 1292 to 1334 for $652,231.40 and the Trust Account consisting of Cheque Number 773 for $540.00 for the period ended 31st December 2009 as presented be accepted.

10. Rates Outstanding
That the Rates Outstanding Report for the period ended 31st December 2009 with an outstanding balance of $324,814.00.

Council Resolution:
Moved: Cr John Bensdorp       Seconded: Cr Rodney Desmond

That items 1-10 relating to the financial Activity Reports ended 31st December 2009 be accepted

Carried: 9/0
**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.

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**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 January 2010 including report on variances be accepted as presented.

2. **Finance Report**
   That the Finance Report for the period ended 31st January 2010 be accepted as presented.
3. Acquisition of Assets
That the Acquisition of Assets Report for the period ended 31st January 2010 with a balance of $2,816,170.00 as presented be received.

4. Reserves Report
That the Reserves Report for the period ended 31st January 2010 with a balance of $1,361,312.00 as presented be received.

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

6. Bank Reconciliation’s
That the balances of the Municipal Fund of $507,767.72 and the Trust Fund of $41,410.47 as at 31st January 2010 as presented be received.

7. Sundry Creditors Report
That the Sundry Creditors Report for the period ended 31st January 2010 with a balance of $351,360.20 as presented be received.

8. Sundry Debtors Report
That the Sundry Debtors Report for the period ended 31st January 2010 with a balance of $49,870.96 as presented be received.

9. Accounts for Payment
That the Accounts for payment for the Municipal Account consisting of Cheque Numbers 17360 to 17390 and EFT Numbers 1335 to 1406 for $517,837.47 and the Trust Account consisting of Cheque Numbers 774 to 776 and EFT Numbers 1394 to 1399 for $2,676.00 for the period ended 31st January 2010 as presented be accepted.

10. Rates Outstanding
That the Rates Outstanding Report for the period ended 31st January 2010 with an outstanding balance of $180,153.00.

Council Resolution:
Moved: Cr Jenny Hirsch            Seconded: Cr Jon Bensdorp
That items 1-10 relating to the financial Activity Reports ended 31st December 2009 be accepted

Carried: 9/0
10024 HEALTH BUILDING & PLANNING

10024.1 FEBRUARY 2010 INFORMATION ITEM

1. BUILDING LICENCES

The following Building Licence have been processed since December 2009

Building Licence No. 01/10

Owner: Kayara Mining Limited  
Location: Lot Mining Lease E19/817  
         Mongada Road Perenjori  
Description: Mine Camp Wet Mess  
Builder: Highline Geraldton  
Construction Cost: $119,000.00  
Fees: Building Licence Fee $379.00  
       Gov’t BCITF Levy $238.00  
       BRB Levy $40.00  
       $657.00

2. PERENJORI AQUATIC CENTRE

The Perenjori Aquatic Centre is reaching completion. At the time of preparing this Item confirmation was received that power connection by Western Power is programmed for the 12 February 2010. This then allows for the main pool to be filled which could take up to 10 days.

Once the pools have been filled and the filtration system operating satisfactorily the water is to be stabilised, bacterially analysed and the Pool Manager trained in the system’s maintenance and operation.

During this period Council is statutorily obligated to satisfy Health Department’s requirements by providing:

- written certification from the electrical contractor that all electrics have been installed as per Section 2.28 of the Code of Practice;
• an isolux plot which demonstrates overhead lighting satisfies the minimum lighting intensity prescribed for a Class 1 aquatic facility per Section 2.16 of the Code;
• written confirmation of local government approval for onsite backwash disposal arrangements (done);
• the fitting out of a fully equipped first aid area; and certification that safety fencing is in compliant with AS 1926.1-1993 and Section 2.18 of the Code.

Final inspection can then be carried out and approval for use issued.

It is anticipated, but subject to unforeseen complications, that the Perenjori Aquatic Centre should be approved for use by the second week in March 2010.

3. SUBDIVISION 60 DOWNER STREET

The installation of the water service to the 60 Downer Street subdivision has commenced with completion programmed for the 23 February 2010.

Western Power and Telstra supply has been applied for but confirmation for commencement of installation has not been received.

4. LOCHADA CONSTRUCTION CAMP

Construction of Karara Mining Limited’s $10,843,098.00 Lochada Construction camp was completed during January 2010.

Final inspection of the accommodation development was carried out with a Classification Certificate issued for the buildings in accordance with the Building Regulations 1989 and Approval to Use Permit issued for the ATU waste water treatment plant and irrigation disposal system in accordance with the Health Act 1911.

5. FOOD ACT 2008

Council is aware that the Western Australian Food Act 2008 came into operation on the 20th October 2009.
The *Food Act 2008* is now the principal stand alone piece of legislation governing food control in Western Australia. The Act endeavours to ensure the safety of food from the whole food supply chain, representing a paddock to plate approach to food regulation.

Part 8 of the Act provides for the auditing of Food Safety Programs. Division 1 and 3 set out requirements in relation to the approval of food safety auditors.

In line with the accreditation requirements for food safety auditors the Director Development Services is attending the Lead Auditor in Food Safety Management Systems Course in Perth during the week 15 to 19 February 2010.
10025 PLANT & WORKS

10025.1 ROAD MAINTENANCE JANUARY 2010

APPLICANT: KEN MARKHAM – WORKS SUPERVISOR
FILE: 0
DISCLOSURE OF INTEREST: 0
AUTHOR: KEN MARKHAM – WORKS SUPERVISOR
RESPONSIBLE OFFICER: KEN MARKHAM – WORKS SUPERVISOR
REPORT DATE: 28TH JANUARY 2010
ATTACHMENTS: MAP

Executive Summary:
Details of Road Maintenance carried out in January 2010

Applicants Submission:
Listed are the roads graded for the month of JANUARY

Metcalfe Rd Settlement Rd
Camac Rd Hill Rd
Cannon Rd Malcolm Rd
Starkeys Rd Koolanooka Rd
Caron Rd Young Rd
Waddi Forrest Rd Solomon Rd
Dring Rd Norrish Rd
Billeroo Rd Sellner Rd
McDonald Rd Baxter Rd
Liebe Rd Gellatly Rd
Hirsch Rd Gellatly West Rd
Otte Rd Bamford Rd
Chapman Rd Bob King Rd
Bunjil North East Rd Stan Cannon Rd

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:
As per Council’s Road Maintenance Budget

Strategic Implications:
To maintain roads to a standard

Consultation: Nil

Comment: Nil

Voting Requirements: Nil

Officers Recommendation: Nil
Executive Summary:
The construction crew started the gravelling project on Keogh road before Christmas. Works restarted after Christmas which also included the replacement of a culvert, gravelling and water binding of the road.

Applicants Submission:

The section of Keogh road from the second grid heading East for 3.5km was put in the 2009/2010 road works budget for gravelling. The gravel was sourced from Mr Laurie Butler and Mr Steve Manners.

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.

Financial Implications:
As per budget of $134,700 under R2 R II funding

Strategic Implications:

Consultation
Comment
Voting Requirements

Officers Recommendation:

2.03pm Phil Cleaver entered the Meeting
Executive Summary:
There are some necessary changes to the roads program for this year.

Applicants Submission:
Due to funding changes, unforseen expenditure and time constraints there needs to be some changes to the current road programme.

Unanticipated costs on Black Spot Project
The Blackspot project on Bunjil Carnamah/Liebe road intersection has required extra funds to pay for the movement of a Telstra pit which had not been allowed for in the initial scope of works. The extra cost was for $24,190.30 inclusive of GST.

Reallocation of RRG funds for Perenjori Rothsay Road
Council has deferred a RRG project for Perenjori Rothsay Road for several years. The section of road affected falls within the section of road to be redeveloped by Mount Gibson Iron. Main roads has granted our request to reallocate this Regional Road Group funding to a section of Perenjori Rothsay Road not affected by the Mount Gibson project. The new section covers seal widening from Wanarra road to Harrold Wass’s front gate. It has also been put to us that we would need to carry out the works this financial year to have access to the grant. This would require $31,000 from Council as part of the 2/3 Main roads, 1/3 Council funding requirement. Total project is expected to cost $93,000.

Resulting Changes to program
There are two implications of these changes:

- We need to identify $55,000 of savings in the road program to fund the additional costs; and
- We need to free up sufficient capacity to complete the additional project on Perenjori Rothsay Road.

We are proposing to achieve this by:

- The project for Hill rd will be reduced to help pay for some of the extra costs;
- The inclusion of chemical stabilising of the Grant Rd project, which will reduce some of the time taken to carry out works.

Background:
Council is required to review its budget between January and March each year.

**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 proposed changes allow us to meet the additional costs within budget
constraints.

**Strategic Implications:**
Consultation: Nil

**Comment:** Nil

**Voting Requirements:** Simple Majority

**Officers Recommendation:**
For Committee discussion and recommendations to Budget review committee.
Executive Summary:

Landgate has requested advice on renaming sections of road affected by realignment as part of a Black Spot Project

Applicants Submission:

Council will be aware of the Bunjil Carnamah Rd/ Liebe rd Black spot project. Landgate have come back to us with the naming of Liebe Rd. It is apparently listed as Iona Rd, which was its old name. With the changing of the intersections onto Bunjil Carnamah Rd there is a need for both roads to have a different name. Council may wish to have the section of road heading West listed as Liebe and retain the section of road from Bunjil Carnamah rd to the Wubin Mullewa rd as Iona or vis versa or come up with completely new names. Also suggested was Bunjil Rocks rd.

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

Councils Policy on Naming Roads is as follows:

The assignment of road names is determined by the Geographic Names Committee (GNC), which is a branch of the Department of Land Administration. In administering this responsibility the GNC have regard to an extensive set of criteria, which may be summarised as follows-

- Name duplication within local governments or adjoining local governments shall be avoided. If possible, it should also be avoided within the State.
- Names of living individuals shall not be used.
- Names characterised as follows are to be avoided:
• incongruous;
• given/first names;
• given/first and surname combinations;
• double names;
• qualified names;
• corrupted, unduly cumbersome or difficult to pronounce names;
• obscene, derogatory, racist or discriminatory names;
• company names; or,
• commercialised names.

• Preferred sources of names include:
  • aboriginal names;
  • pioneers of the State or area;
  • war casualty lists; or
  • thematic names eg. Fauna, ships etc.

Whilst ultimate responsibility for the naming of roads rests with the GNC, they undertake consultation with local authorities as part of the process of assigning names. To assist this process, a local authority can develop policies to guide their advice to the GNC. Such policies may, and usually do, include a list of reserved names pre-approved by the GNC.

Objective

To allow for the efficient allocation of appropriate names to new roads being created in the Shire, or to existing unnamed roads.

Policy Statement

When considering naming a new road or changing the name of an existing road, council will advertise through Local Public Notice seeking suggestions from the community.

In the case of new roads being created by subdivision, Council is supportive of proposed road names, which meet one or more of the following criteria-

• Any name which derives from a pioneer of the locality, a previous owner of the land, a traditional name for the property, a physical feature within, adjacent to, or nearby the land.

• Where more than three new roads are being created as part of a subdivision; names that follow a consistent theme (where this option is taken, at least three new roads must follow the same thematic approach).

• Names that have traditionally been applied by residents of the area to the road
A name which is suggested by a person owning land adjacent to the road.

Where a change of road name is requested, and the road bears the name of a family, the Shire will contact the family in writing to seek its views.

**Financial Implications:**
**Strategic Implications:**
**Consultation:** Nil
**Comment:** Nil
**Voting Requirements:** Simple majority

**Officers/Committee Recommendation:**
1. That the section of the road between Bunjil Carnamah Road and Wubin Mullewa Road be known as Iona Road.
2. That the section of road from Bunjil Carnamah Road to Billeroo Road heading west be known as Leibe Road.

**Council Resolution:**
Moved: Cr John Bensdorp
Seconded: Laurie Butler

1. That the section of the road between Bunjil Carnamah Road and Wubin Mullewa Road be known as Iona Road.
2. That the section of road from Bunjil Carnamah Road to Billeroo Road heading west be known as Leibe Road.

Carried: 9/0
10025.5 GENERAL ONGOING SERVICES AND MAINTENANCE

APPLICANT: NORM EVERETT - MECHANIC
FILE: 0
DISCLOSURE OF INTEREST: 0
AUTHOR: NORM EVERETT - MECHANIC
RESPONSIBLE OFFICER NORM EVERETT - MECHANIC
REPORT DATE: 05th February 2010
ATTACHMENTS Nil

Executive Summary:
Details of Services and Maintenance of Vehicles for January 2010

Applicants Submission:

P1501 AMMAN ROAD ROLLER - Rectify air leaks in automatic tyre controls
P1503 ISUZU FIRE TRUCK - General check over for preparedness
P1504 FAST ATTACK – General check over for preparedness
P1525 Rectify electrical faults – wiring was burned out in the main harness due to ingress of water and dust
P1527 MACK PRIME MOVER – Rectify air lines due to wear and tear
P1549 ISUZU TRAY TOP – Rectify remote door lock malfunction
P1554 FREUHAUF WATER TANKER – Replace broken air line fittings and replace worn air lines
P1558 VOLVO GRADER – Go to Hill Rd; rectify oil leaking from steering hydraulics
P1559 SFM SIDE TIPPER – Rectify electrical malfunction due to wear and tear on plug and cable
P1560 6x4 BOX TOP TRAILER – Service wheel bearings
P1561 ISUZI LATHAM FIRETRUCK – Replace park brake hand control
P1562 TRITON UTE – Rectify electrical fault on fuel pump
P1567 TRITON UTE – Repair Wiring left hand front indicator
P1568 TRITON UTE – Rectify oil leak at power steering
P1570 VOLVO GRADER – Rectify two way radio distortion
P1575 BACK HOE CAT – Rectify oil leaks in extender ram on boom
P1577 HITACHI LOADER – Rectify oil leaks in hydro fan and service auto-lube unit
P1578 WESTERN STAR PRIME MOVER – Replace tail lights and re-wire rear of truck. Degraded due to sand blasting and stone damage
P1583 CONVERTOR DOLLY – Replace tail light and wiring
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: Nil

Comment: Nil

Voting Requirements:

Officers Recommendation: Nil

2.20pm Ken Markham left the meeting
10026 GOVERNANCE

10026.1 ANNUAL REPORT 2008/09

APPLICANT: SHIRE OF PERENJORI
FILE: ADM0081
DISCLOSURE OF INTEREST: 0
AUTHOR: Rose Jones - DCEO
RESPONSIBLE OFFICER Rose Jones - DCEO
ATTACHMENTS Annual Report

Executive Summary:
An Annual Report is required to be produced every year after the audit for the year has been completed and upon receipt of the Audit Report. The Annual Report must be accepted by Council no later than 31st December 2009 or within two months of receipt of Audit Report.

Applicants Submission:
The Date for the Annual Electors Meeting is also required to be set.
The meeting must be held within 56 days of acceptance of the Annual Report or prior to 14th April 2010.
Fourteen days public notice of the meeting is also required.

Background: Nil

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:
Policy 237 – Annual Report distributed to Ratepayers on request.

Financial Implications:
N/A

Strategic Implications:
N/A

Consultation:
N/A

Comment:

Voting Requirements:
Absolute Majority

Officers Recommendation:
1. That the 2008/09 Annual Report as presented be accepted.
2. That the Annual Meeting of Electors be held at Latham on ___________ 2010.

Council Resolution:

Moved: Cr Jenny Hirsch   Seconded: Cr Rodney Desmond

1. That the 2008/09 Annual Report as presented be accepted.
2. That the Annual Meeting of Electors be held at Latham on 24\textsuperscript{th} March 2010 at 3.30pm

Carried: 9/0
10026.2 FINANCIAL STATEMENTS AND AUDIT REPORT 2008/09

APPLICATION: SHIRE OF PERENJORI
FILE: ADM0081
DISCLOSURE OF INTEREST: 0
AUTHOR: Rose Jones - DCEO
RESPONSIBLE OFFICER: Rose Jones - DCEO
ATTACHMENTS: UHY Correspondence to Department of Local Government

UHY Haines Norton Audit Report and Management Letter

Executive Summary:
The Shire is required to prepare annual financial statements by 30th September and the auditor is to prepare a report in respect of the Financial Statements by 31st December each year.

Applicants Submission:
Correspondence generated by the auditor to the Department of Local Government creates the impression that their failure to prepare a report by 31 December was compounded by delays in the Shire responding to questions from them.

This impression is inaccurate in that, while the Financial statements were submitted to the auditor before 30th September, the auditors did not conduct their on-site review until November 18th 2009.

Following this visit they did not request further information until December 17th. Clarification of issues continued until December 22nd when they forwarded to the Shire a copy of the changes required to the financials.

As we closed for the Christmas break at 5pm on 23rd December there were responses that had been submitted to the auditors that they had not in fact considered.

The audit was completed on 12th January 2010

Background: Nil
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:
N/A

Strategic Implications:
N/A
Consultation:
N/A

Comment:
The auditor’s advice to the Department of Local Government was required to comply with Section 7.9(i) of the Local Government Act.

It appears that delays in their reporting process were due mainly to their own poor work flow management and were compounded by a change of staff members at their business that occurred over the Christmas break.

However, as the audit report was received on 12th January 2010, within the time extension sought by UHY Haines Norton, the audit is carried out in compliance with the act.

The only item of significance to which they have referred is to the calculation of current liability for borrowings. This was an oversight that was corrected by us.

Voting Requirements:
Absolute Majority

Officers Recommendation:

Council Resolution:

Moved: Cr Robyn Benton         Seconded: Cr John Cunningham


Carried: 9/0
23 December 2009

Ms J Mathews
Director General
Department of Local Government
GPO Box R1250
PERTH WA 6001

Dear Ms Mathews

SHIRE OF PERNJORI
AUDIT REPORT
FOR THE YEAR ENDED 30 JUNE 2009

This is to advise we will be unable to issue our audit report for the year ended 30 June 2009 in respect of the Shire of Perenjori by 31 December 2009 as required by Section 7.9(i) of the Act.

A number of matters requiring resolution were raised since our audit visit and to date, these have not been totally resolved to the extent we are able to issue our audit report and management letter.

Based on discussions with the CEO, Mr Stan Scott and Council staff, we would anticipate being in a position to issue our reports by 31 January 2010.

Should you have any queries regarding the above, please contact me.

Yours faithfully

GREG GODWIN
PARTNER

cc Cr B Baxter – Shire President – Shire of Perenjori
Mr S Scott – Chief Executive Officer – Shire of Perenjori
Goovernment of Western Australia  
Department of Local Government

Our Ref: PJ3-4#03 (E1000713)

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

Dear Mr Scott,

I wish to advise that the Department of Local Government has received a copy of the Auditor’s Report and Management Report for the Shire of Perenjori for the year ended 30 June 2009.

The report has been forwarded to our Governance Section for assessment. Should there be any queries relating to the information contained in your report they will liaise directly with you.

Yours sincerely,

Jenni Law  
A / Executive Director Governance and Legislation  
†January 2010
12 January 2010

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

Dear Stan,

AUDIT OF SHIRE OF PERENJORI
FOR THE YEAR ENDED 30 JUNE 2009

We advise that we have completed the audit of your Shire for the year ended 30th June 2009 and enclose our Audit Report and a copy of the Management Report.

A copy of the Audit Report and Management Report has also been sent directly to the President as is required by the Act.

We would like to take this opportunity to thank you and your staff for the assistance provided during the audit.

Please contact us if you have any queries.

Yours sincerely,

GRGB GODWIN
PARTNER

2009 Year End Report AUD 09 GBD Letter
INDEPENDENT AUDIT REPORT
TO THE ELECTORS OF THE SHIRE OF PERENJORI


We have audited the accompanying financial report of the Shire of Perenjori, which comprises the balance sheet as at 30 June 2009 and the income statement by nature or type, income statement by program, statement of changes in equity, cash flow statement, note setting statement for the year ended on that date and a summary of significant accounting policies and other explanatory notes.

Councillor’s Responsibility for the Financial Report

Council is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations), the Local Government Act 1995 (as amended) and the Local Government (Financial Management) Regulations 1996 (as amended). This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor’s Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Council, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of Australian professional ethical pronouncements.

Auditor’s Opinion

In our opinion, the financial report of the Shire of Perenjori is in accordance with the Local Government Act 1995 (as amended) and the Local Government (Financial Management) Regulations 1996 (as amended), including:

a) giving a true and fair view of the Shire’s financial position as at 30 June 2009 and of its performance for the year ended on that date; and
b) complying with Australian Accounting Standards (including the Australian Accounting Interpretations), the Local Government Act 1995 (as amended) and the Local Government (Financial Management) Regulations 1996 (as amended).
INDEPENDENT AUDIT REPORT
TO THE ELECTORS OF THE SHIRE OF PERNJORI (continued)

Other Matters
In accordance with the Local Government (Audit) Regulations 1996, we also report that:

a) There are no matters that in our opinion indicate significant adverse trends in the financial position or the financial management practices of the Shire.

b) No matters indicating non-compliance with Part 6 of the Local Government Act 1995 (as amended), the Local Government (Financial Management) Regulations 1995 (as amended) or applicable financial controls of any other written law were noted during the course of our audit.

c) All necessary information and explanations were obtained by us.

d) All audit procedures were satisfactorily completed in conducting our audit.

Date: 12 January 2010
Perth, WA.
2009 Year End Financial Audit

[Signature]
CHRISS GODWIN
PARTNER
Haines Norton
Chartered Accountants

12 January 2010

The Shire President
Shire of Perenjori
PO Box 22
PERENJORI WA 6620

Dear Cr King

MANAGEMENT REPORT FOR THE YEAR ENDED 30TH JUNE 2009

We advise that we have completed our audit procedures for the year ended 30th June 2009 and enclose our Audit Report.

We are required under the Local Government Audit Regulations to report certain compliance matters in our audit report. Other matters which arise during the course of our audit that we wish to bring to Council’s attention are raised in this management report.

It should be appreciated that our audit procedures are designed primarily to enable us to form an opinion on the financial statements and therefore may not bring to light all weaknesses in systems and procedures, or all audit matters of interest to Council, which may exist. However, we aim to use our knowledge of the Shire’s organisation gained during our work to make comments and suggestions, which, we hope, will be useful to you.

Purchasing Policy and Procedures

During our review of Council’s purchasing policy we noted no limits are defined for persons authorized to sign purchase orders. In addition, our review of purchasing procedures revealed in certain cases purchase orders were not raised in accordance with Council’s purchasing policy.

In order to help ensure proper budgetary controls we recommend Council’s purchasing policy define purchasing limits for all staff authorized to sign purchase orders. Measures should be implemented to ensure purchase orders are raised for all purchases in accordance with Council’s purchasing policy.

We noted no other matters we wish to draw to Council’s attention.
Corrected Misstatements

We advise we have informed Shire management of certain misstatements which were corrected during the course of our audit and are reflected in the financial report. These corrected misstatements are attached at Appendix 1 to this letter.

Uncorrected Misstatements

We advise that we have informed Shire management of certain uncorrected misstatements above $3,000 noted by us during the course of our audit that were determined to be immaterial both individually and in total, to the financial report taken as a whole. These uncorrected misstatements are also attached at Appendix 1 to this letter.

We take this opportunity to thank the Chief Executive Officer and all staff for the assistance provided during the audit.

Should you wish to discuss any matter relating to the audit or any other matter, please do not hesitate to contact us.

Yours faithfully

CHRIS GODWIN
PARTNER

2009 Year End/Perenjori AO2
### Corrected Misstatements

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**10026.3 EXPLORATION LICENSE APPLICATIONS**

**APPLICANT:** WESTERN TENEMENT SERVICES AND MCMAHON MINING TITLES  
**FILE:** 0  
**DISCLOSURE OF INTEREST:** 0  
**AUTHOR:** STAN SCOTT – CEO  
**RESPONSIBLE OFFICER:** STAN SCOTT – CEO  
**REPORT DATE:** 5 FEBRUARY 2010  
**ATTACHMENTS:** TENGRAPH MAPS

**Executive Summary:**
Mining Companies have applied for two substantial exploration tenements within the agricultural areas of the Shire of Perenjori.

**Applicants Submission:**
Applications have been received for exploration licenses as follows:

- Magnetic Resources NL (through McMahon Mining Title Services) has applied for a license covering some 400 square kilometres between Latham and Buntine.
- Injula Coal (through Western Tenement Services) has applied for approximately 80 square kilometres north and east of Perenjori and Bowgada.

**Background:**
Copies of mining tenement applications are forwarded to affected Local Governments. Specific Comments and conditions are sought when proposals cover town sites.

**Statutory Environment:**
The Mining Act 1978 sets out the process for dealing with mining tenements. On freehold land tenements generally relate to resources more than 30 metres below the natural surface. The Act sets out requirements for companies dealing with landowners.

**Policy Implications:** Nil

**Financial Implications:**
All tenements are rateable.

**Strategic Implications:**
These exploration leases are symptomatic of the increasing importance of mining in this region.
Consultation:
Companies are required to copy applications to affected local governments. Shires can object to applications.

Comment:
Very little of the Shire is not under some form of mining tenement.

Voting Requirements:
Simple majority

Officers Recommendation:
That Council notes the proposed exploration leases.

Council Resolution:
Moved: Cr Laurie Butler Seconded: Cr Graeme Reid
That Council notes the proposed exploration leases

Carried: 8/0

2.25pm – Cr Jenny Hirsch left the meeting
2.26pm – Phil Cleaver left the meeting
2.27pm – Phil Cleaver returned to the meeting
2.27pm – Cr Jenny Hirsch returned to the meeting
10026.4 LOCAL GOVERNMENT REFORM

Item Deferred until after Minister for Local Government Address at 3.30pm.

APPLICANT: SHIRE OF PERENJORI
FILE: 0
DISCLOSURE OF INTEREST: 0
AUTHOR: STAN SCOTT – CEO
RESPONSIBLE OFFICER STAN SCOTT – CEO
REPORT DATE: 5 FEBRUARY 2010
ATTACHMENTS Letters from Minister Castrilli
• Project Officer
• Referral to LGAB
ABC News Story
Letter from Cr Reid
Letter from Chapman Valley Shire to Minister Grylls
Letter from Minister Grylls to Local Governments clarifying the future of the Country Local Government Fund

Executive Summary:

Minister Castrilli has advised that our submission has been referred to the Local Government Advisory Board for consideration, and that a funding submission has been submitted in relation to the identified transition costs.

Following press reports of comments by the Minister Cr Reid has written to the President suggesting that the impetus for amalgamation may have been overstated and the Minister’s comments would suggest that there will be no consequence for Councils that do not participate.

Minister Grylls has clarified the future of the Country Local Government Fund including support for Councils participating in Structural Reform.

Applicants Submission:

Correspondence from Minister Castrilli

There have been two recent letters from the Minister Castrilli, the Minister for Local Government which are attached at the end of this item.

• A letter approving funding for a project officer to assist the working group to prepare for amalgamation; and
• A letter advising that the Minister has recommended our submission to the Local Government Advisory Board, and that he is seeking the transition funding requested in the submission.

**News Items**

There was a news item at the end of January that seems to have generated a lot of comment from constituents and has prompted councillor Reid to write to the President. The ABC news item is appended to this item. The news item says in part:

*The Local Government Minister, John Castrilli, has indicated the amalgamation process will be abandoned if councils do not agree to the latest reform initiative.*

*Mr Castrilli has advised councils that have not agreed to amalgamate to form Regional Transition Groups.*

*He says councils do not have to agree but the scheme is the last hurrah from the Government.*

**Correspondence from Cr Reid**

A letter from Cr Reid is attached. Cr Reid contends that the latest news reports should encourage us to reconsider our position and withdraw our reform proposal in his view:

“far from being first cab off the rank if we go down the amalgamation path we might end up being the “only cab off the rank”.

**Correspondence from Minister Grylls**

The letter from Minister Grylls is attached. This letter provides significant additional information on changes to the Country Local Government Fund including:

**For 2009-10**

1. $10 Million will be available to assist local governments to prepare asset management plans;
2. $2.5 Million will be available to assist Local Governments who have agreed to amalgamate for such things as common operating systems and infrastructure (There are only 11 Local Governments that will qualify for a share of this.

**For 2010-11**

1. Direct Grants to Local Governments of 65% of allocations. That is the same as this year rather than the 50% that had been planned;
2. Regional groupings 35% of allocation. Groups of Councils that have agreed to amalgamate will be considered as regional groupings for this purpose.
3. A further $2.5 Million will be available to Councils that have agreed to amalgamate.

Minister Grylls further clarified the position for the current year at the Forum at Ascot. CLGF allocations were withdrawn because of the quantum of royalties projected in the mid year review which was calculated in November. Elected members will recall that the high value of the Australian Dollar contributed significantly to the reduced royalties. Since then prices have risen, volumes have risen and the $AU has fallen. There is some prospect of a distribution under the CLGF this financial year – probably in May.
The Local Government Forum at Ascot

Minister Castrilli and Minister Grylls attended a forum at Ascot on 9th February, as did the Shadow Local Government Minister and the Greens spokesperson. The CEO, Cr King and Cr Butler attended. Details of the communiqué from that forum will be circulated when received.

Minister Castrilli outlined the next stage of the reform process for those local governments that have not agreed to amalgamate:

Regional Transition Groups

- Local Governments have been invited to form Regional Transition Groups (RTG). Local Governments choose their own groups. Participation in these groups is voluntary.
- RTGs will prepare a business (funded by the Department) case for the amalgamation of that group. When the business case has been completed and lodged with the department Local Governments will have the option of proceeding or opting out.
- Those Local Governments that agree will proceed to amalgamation. If however they decide not to proceed they will have the option to withdraw, subject to first having a discussion with the Department. The Minister does not want Local Governments changing their minds on a whim.
- The poll provisions in the Local Government Act will continue to be available.

Regional Collaborative Groups

10021 Regional Collaborative Groups (RCGs) are a vehicle similar to a regional council or VROC through which local governments can develop cooperative regional service delivery arrangements. RCGs are only available as an option for Local Governments in very remote areas – specifically the Kimberley, Pilbara, Northern Goldfields and Murchison

The Minister then responded to each of the questions that were circulated prior to the meeting and took questions from the floor. The Minister was at the podium for a total of 80 minutes.

WALGA Response

Following the meeting at Ascot WALGA released the following:
Better Local Government Communiqué
9 February 2010
Ascot Racecourse

In the pursuit of Better Local Government and after considering the information provided by the Minister for Local Government, the Hon John Castrilli in response to our questions regarding the State Government’s Local Government Reform process, we the Local Government representatives in attendance at this meeting have determined that we:

1. Support the State Council resolution of February 5 which asserts that:
   - the Association continue to seek clarification on the State Government’s position and process;
   - the Association express no confidence in the current reform process;
   - those Local Governments, wishing to amalgamate, be allowed to proceed with their process;
   - those Local Governments, not wishing to amalgamate, be allowed to pursue their own direction without the threat of forced amalgamation or referral to the Local Government Advisory Board (LGAB).

2. Reject a Local Government Reform Process that focuses only on amalgamations.

3. Require a voluntary approach to any amalgamations and reinforce the rights of each Local Government to determine their own destiny.

4. Reaffirm the research and recommendations of the Systemic Sustainability Study.

5. Require guidelines outlining the State Government’s Local Government reform goals and objectives prior to the pursuit of any further reform process.

6. Require the delivery of a complete legislative and regulatory reform package as detailed in the Systemic Sustainability Study, as a priority and prior to the pursuit of any structural change.

7. Require the Minister to give a commitment to include WALGA (representing all of Western Australia’s Local Governments) at the most senior levels on all relevant reform committees in a genuine partnership approach.

8. Reject the financial emasculation of Local Governments which do not engage in amalgamations.

9. Require the State Government to fully fund any reforms it applies to the sector.

Background:
In September 2009 Council resolved as follows:
That:-

- The Shire of Perenjori resolves to advise the Minister for Local Government of its intention in principle to amalgamate, under a Voluntary Sustainable Amalgamation model, with the Shires of Mingenew, Morawa and Three Springs.

- The Shire of Perenjori resolves to advise the Minister for Local Government of its intention to reduce the total number of elected members of the new entity to eight from the October 2011 Council Elections.

- The Shire of Perenjori resolves to advise the Minister for Local Government of their intention to work collaboratively within a regional grouping comprising the local governments contained in the Northern Country Zone of the Western Australian Local Government Association (potentially through the Mid West Regional Council).

- The above is prefaced on the basis that the State Government assists with and meets the full costs of transition into the new Sustainable Amalgamated entity, including the full costs of redundancy as provided for in contracted employment agreements.

- The Shire of Perenjori advises the Minister for Local Government that the reason for exclusion of coastal communities from its preferred Sustainable Amalgamated structure was due to a lack of synergies in establishing communities of common interest.

- That Council request that the joint Council working party prepare by the November 2009 Ordinary Meeting of Council:

  1. A projected implementation timetable
  2. A list from each participating Council of community commitments to be preserved by the new Council
  3. Confirmation from the Shires of Carnamah and Coorow that they will or will not seek to join the proposed grouping.

Since then Council has formed with the other Councils in the Grouping a Structural Reform Working Group which has commenced the task of working through the range of issues that will need to be addressed as the reform process progresses.

At the Local Government Convention in August 2009 the Minister for Regional Development, Minister Grylls advised that those Local Governments that participated in the reform process would be rewarded through Royalties for Regions. An extract from Minister Grylls contribution is as follows:

“I, like the Local Government Minister am keen to stimulate your interest in regional grouping models. I have already had discussions with Minister Castrilli on changing the formula so that the ENTIRE amount of the Country Local Government Fund in future years is distributed through regional and/or amalgamated groups.”

He further indicated:

This is not about attempting to kill off local governments one by one…it is about encouraging you to band together for a greater economic outcome. • A regional project has much better chance of leveraging other funding sources.
Out of this process there will be councils that decide to amalgamate to grow their efficiency and regional focus, and councils that agree to formalise their ROC’s on the path to regional government – I support them – and the local government fund will be used to encourage and reward those that embrace this path

Statutory Environment:

Local Government Act 1995 Schedule 2.1 sets out the provisions in relation to structural reform. As the Minister has referred the proposal to the Local Government Advisory Board the process set out in the Schedule has commenced.

Schedule 2.1 says in part:

3. Dealing with proposals

(1) The Advisory Board is to consider any proposal.

(2) The Advisory Board may, in a written report to the Minister, recommend* that the Minister reject a proposal if, in the Board’s opinion —

(a) the proposal is substantially similar in effect to a proposal on which the Board has made a recommendation to the Minister within the period of 2 years immediately before the proposal is made;

(aa) where the proposal was made by affected electors under clause 2(1)(d), that the majority of those electors no longer support the proposal; or

(b) the proposal is frivolous or otherwise not in the interests of good government.

* Absolute majority required.

(3) If, in the Advisory Board’s opinion, the proposal is —

(a) one of a minor nature; and

(b) not one about which public submissions need be invited,

the Board may, in a written report to the Minister, recommend* that the Minister reject the proposal or that an order be made in accordance with the proposal.

* Absolute majority required.

(4) Unless it makes a recommendation under subclause (2) or (3), the Advisory Board is to formally inquire into the proposal.

[Clause 3 amended by No. 64 of 1998 s. 52(2); No. 49 of 2004 s. 67(3).]

4. Notice of inquiry

(1) Where a formal inquiry is required the Advisory Board is to give —

(a) notice to affected local governments, affected electors and the other electors of districts directly affected by the proposal; and

(b) a report to the Minister.

(2) The notice and report under subclause (1) are to —

(a) advise that there will be a formal inquiry into the proposal; and

(b) set out details of the inquiry and its proposed scope; and
Shire of Perenjori
Ordinary Meeting
MINUTES 18 February 2010

(c) advise that submissions may be made to the Board not later than 6 weeks after the date the notice is first given about —
   (i) the proposal; or
   (ii) the scope of the inquiry.

(3) If, after considering submissions made under subclause (2)(c), the Advisory Board decides* that the scope of the formal inquiry is to be significantly different from that set out in the notice and report under subclause (1), it is to give —
   (a) another notice to affected local governments, affected electors and the other electors of districts directly affected by the proposal; and
   (b) another report to the Minister.

(4) The notice and report under subclause (3) are to —
   (a) set out the revised scope of the inquiry; and
   (b) advise that further submissions about the proposal, or submissions about matters relevant to the revised scope of the inquiry, may be made to the Board within the time set out in the notice.

* Absolute majority required.

5. Conduct of inquiry

(1) A formal inquiry is to be carried out, and any hearing for the purposes of the inquiry is to be conducted, in a way that makes it as easy as possible for interested parties to participate fully.

(2) In carrying out a formal inquiry the Advisory Board is to consider submissions made to it under clause 4(2)(c) and (4)(b) and have regard, where applicable, to —
   (a) community of interests;
   (b) physical and topographic features;
   (c) demographic trends;
   (d) economic factors;
   (e) the history of the area;
   (f) transport and communication;
   (g) matters affecting the viability of local governments; and
   (h) the effective delivery of local government services,

but this does not limit the matters that it may take into consideration.

6. Recommendation by Advisory Board

(1) After formally inquiring into a proposal, the Advisory Board, in a written report to the Minister, is to recommend* —
   (a) that the Minister reject the proposal;
   (b) that an order be made in accordance with the proposal; or
   (c) if it thinks fit after complying with subclause (2), the making of some other order that may be made under section 2.1.

* Absolute majority required.
(2) The Advisory Board is not to recommend to the Minister the making of an order that is significantly different from the proposal into which it formally inquired unless the Board has —
   
   (a) given* notice to affected local governments, affected electors and the other electors of districts directly affected by the recommendation of its intention to do so;
   
   (b) afforded adequate opportunity for submissions to be made about the intended order; and
   
   (c) considered any submissions made.

* Absolute majority required.

7. Minister may require a poll of electors

In order to assist in deciding whether or not to accept a recommendation of the Advisory Board made under clause 6, the Minister may require that the Board’s recommendation be put to a poll of the electors of districts directly affected by the recommendation.

8. Electors may demand a poll on a recommended amalgamation

(1) Where the Advisory Board recommends to the Minister the making of an order to abolish 2 or more districts ("the districts") and amalgamate them into one or more districts, the Board is to give notice to affected local governments, affected electors and the other electors of districts directly affected by the recommendation about the recommendation.

(2) The notice to affected electors has to notify them of their right to request a poll about the recommendation under subclause (3).

(3) If, within one month after the notice is given, the Minister receives a request made in accordance with regulations and signed by at least 250, or at least 10%, of the electors of one of the districts asking for the recommendation to be put to a poll of electors of that district, the Minister is to require that the Board’s recommendation be put to a poll accordingly.

(4) This clause does not limit the Minister’s power under clause 7 to require a recommendation to be put to a poll in any case.

[Clause 8 amended by No. 64 of 1998 s. 52(3).]

9. Procedure for holding poll

(1) Where, under clause 7 or 8, the Minister requires that a recommendation be put to a poll —

   (a) the Advisory Board is to —

      (i) determine the question or questions to be answered by electors; and

      (ii) prepare a summary of the case for each way of answering the question or questions;

   and

   (b) any local government directed by the Minister to do so is to —
(i) in accordance with directions by the Minister, make the summary available to the electors before the poll is conducted; and

(ii) subject to subclause (2), declare* the Electoral Commissioner, or a person approved by the Electoral Commissioner, to be responsible for the conduct of the poll under Part 4, and return the results to the Minister.

* Absolute majority required.

(2) Before making a declaration under subclause (1)(b)(ii), the local government is to obtain the written agreement of the Electoral Commissioner.

[Clause 9 amended by No. 49 of 2004 s. 67(4) and (5).]

10. **Minister may accept or reject recommendation**

(1) Subject to subclause (2), the Minister may accept or reject a recommendation of the Advisory Board made under clause 3 or 6.

(2) If at a poll held as required by clause 8 —

   (a) at least 50% of the electors of one of the districts vote; and

   (b) of those electors of that district who vote, a majority vote against the recommendation,

the Minister is to reject the recommendation.

(3) If the recommendation is that an order be made and it is accepted, the Minister can make an appropriate recommendation to the Governor under section 2.1.

The process set out in the legislation means:

- The Advisory Board will hold an enquiry
- Local Governments and individuals will be able to make submissions;
- If when the Board has made its decision Council or the community is unhappy with the outcome or does not consider that the conditions set by Council have been met the poll provisions are available.

**Policy Implications:** Nil

**Financial Implications:**

The Minister has agreed to fund a project officer and has sought funding for transition costs as requested in the submission. $2.5 Million is available in the next 2 years only to Local Governments that have agreed to amalgamate. Further the local government grouping for amalgamation purposes will be considered a regional group for the purposes of distributing the regional portion of the CLGF.

**Strategic Implications:**

The process for amalgamation has commenced and the referral to the Advisory Board has been made.

**Consultation:**
Council held several community meetings during the process of developing its submission. It appears the latest news item has generated more comment than almost all of the previous discussion.

Minister Castrilli has been invited to attend the Council meeting to directly respond to concerns, but attendance has not yet been confirmed.

**Comment:**

It is difficult to find anyone who thinks the Minister has handled the structural reform process well. He has been very reluctant to provide guidance to the sector on what final form he would like to see after the reform process.

In Perenjori’s case we obtained the best possible advice including from Professor Brian Dollery who is an acknowledged national expert on Local Government, Local Government Reform and is an amalgamation sceptic. The proposed amalgamation model he considered stacked up as both economically and socially sustainable.

The proposal included several conditions including Wards based on current Shire boundaries, a continued administration in each town and a substantial state contribution to transition costs. The Minister in his speech supported these types of arrangements.

It is the CEO’s view that we need to let the process run its course and if Council and the community, after the report and response to the conditions requested, are not satisfied that we access the poll provisions. Once the referral to the LGAB has been made I am not sure that a Council resolution would even stop the process at this stage.

The CEO did not consider the proposal was only motivated by the prospect of future forced amalgamation. If the report had not been positive it would not have been supported.

Notwithstanding the Minister’s most recent comments the CEO does not believe that the threat of forced reform has disappeared. It is unlikely to happen before the next election, but its almost certain that any future reform process will not be voluntary. The future Minister will learn from the travails of the current process.

**Voting Requirements:**

Simple Majority

**Officers Recommendation:**

- That Council notes the advice from Minister Castrilli that the submission has been referred to the LGAB, that funding has been approved for a project officer and that a submission has been prepared for transition funding;

- That Council notes the advice from Minister Grylls on distribution of the Country Local Government fund, including $5 Million over two years for Council participating in amalgamation.

- That Council await the outcome of the LGAB Inquiry and the Minister’s submission for transition funding before reconsidering its position on structural reform

- That the CEO prepare an article for the Bush Telegraph summarising developments and explaining the reform process set out in the Local Government Act.
Council Resolution:

Moved: Cr John Cunningham  Seconded: Cr Laurie Butler
- That Council notes the advice from Minister Castrilli that the submission has been referred to the LGAB, that funding has been approved for a project officer and that a submission has been prepared for transition funding;
- That Council notes the advice from Minister Grylls on distribution of the Country Local Government fund, including $5 Million over two years for Council participating in amalgamation.
- That Council await the outcome of the LGAB Inquiry and the Minister’s submission for transition funding before reconsidering its position on structural reform
- That the CEO prepare an article for the Bush Telegraph summarising developments and explaining the reform process set out in the Local Government Act and that the same article be sent to all rate payers mail box’s.

Carried: 9/0

Moved: Cr Laurie Butler  Seconded: Cr Jenny Hirsch
- The Council request that the working group prepare a business plan and submit it to the Local Government Advisory Board

Carried: 9/0

Moved: Cr John Bensdorp  Seconded: Cr Rodney Desmond
- That the Shire of Perenjori engages a professional for media advice

Carried: 9/0

4.45pm – CEO Stan Scott left the meeting

4.47pm – CEO Stan Scott returned to the meeting
Minister for Local Government; Heritage; Citizenship and Multicultural Interests

Our Ref: 38-04941

2 1 JAN 2010

RECEIVED

FILE NO. 514678
ATTENTION: CFO
CALL TO: CFO
DATE: 21/1/2010

Mr Ian Fitzgerald
Chief Executive Officer
Shire of Mingenew
PO Box 120
MINGENEW WA 6522

Dear Mr Fitzgerald

Thank you for your correspondence dated 18 December 2009 regarding a request for financial assistance to support the Shires of Mingenew, Morawa, Perenjori and Three Springs progress with voluntary amalgamation.

I am pleased to advise that I have approved your funding request of $50,000 to employ a suitably qualified person to act as Project Officer in order that the efforts of the Structural Reform Working Group can be progressed in an efficient and effective manner.

I sincerely commend the leadership and foresight demonstrated by each of the Shires in leading the reform agenda within the Mid West region. I acknowledge the contribution that each of the Chief Executive Officers have made to date to the reform agenda, and with the assistance of a Project Officer, I look forward to the future achievements to be gained.

Officers from the Department of Local Government will contact you shortly advising of the administrative requirements of the financial assistance provided. However, should you require further information on this or other matters relating to reform, please do not hesitate to contact Tim Fowler on 9217 4490 or Ross Earnshaw on 9217 1510 at the Department.

Yours sincerely

G M (John Castrilli MLA)
MINISTER FOR LOCAL GOVERNMENT; HERITAGE; CITIZENSHIP AND MULTICULTURAL INTERESTS

2 D JAN 2010

Level 12, Thomas House, 2 Havelock Street, West Perth Western Australia 6005
Telephone: +61 8 9213 6900  Facsimile: +61 8 9213 6901  Email: Minister.Castrilli@dpi.wa.gov.au
Minister for Local Government; Heritage; Citizenship and Multicultural interests

Our Ref: M1022021

Cr Chris King
President
Shire of Perenjori
PO Box 22
PERENJORI WA 6620

Dear Cr King

STRUCTURAL REFORM PROPOSALS – SHIRES OF MINGENEW, MORAWA, PERENJORI AND THREE SPRINGS

As you are aware, the Local Government Structural Reform Committee recently forwarded to me its interim analysis of local government reform submissions. Your Shire submitted a proposal agreeing to amalgamate with the Shires of Mingenew, Morawa and Three Springs, with a view to establishing the new entity by 1 July 2011.

I have formally referred this proposal to the Local Government Advisory Board, requesting that it deal with the proposal in accordance with the relevant provisions of the Local Government Act 1995.

A funding submission has been prepared for consideration by Cabinet to assist with the costs of implementing this amalgamation. Officers of the Department of Local Government will be liaising with your Chief Executive Officer and other relevant staff in the Shire to provide support and advice with the amalgamation process.

I look forward to a favourable outcome and congratulate you and your fellow councillors on their leadership and support for the reform process.

Yours sincerely

[Signature]

G M (John) Castelli MLA
MINISTER FOR LOCAL GOVERNMENT; HERITAGE; CITIZENSHIP AND MULTICULTURAL INTERESTS

cc: Mr Stan Scott, Chief Executive Officer, Shire of Perenjori
- 3 Feb 2010
Grand plan fails claims opponents - ABC News (Australian Broadcasting Corporation)

ABC News

Grand plan fails claims opponents

Posted Fri Jan 29, 2010 10:24am AEDT
Updated Fri Jan 29, 2010 11:12am AEDT

The Local Government Association says the Government has been "ham-fisted" in its approach to local government reform.

The Local Government Minister, John Castrilli, has indicated the amalgamation process will be abandoned if councils do not agree to the latest reform initiative.

Mr Castrilli has advised councils that have not agreed to amalgamate to form Regional Transition Groups.

He says councils do not have to agree but the scheme is the last hurrah from the Government.

The Association's President Bill Mitchell says there was a lack of detail and leadership from Mr Castrilli over the scheme.

"Very simply if you fail to plan, you plan to fail" he said.

"If you don't have a vision, if you don't have a grand plan that you can articulate to anyone to reform or to alter the way that they do business than instead of going forward you're constantly asked questions that you can't answer."

Mr Mitchell says not enough information was provided.

"Councils were unable to answer those very specific questions from communities such as how much is it going to cost, who will fund it, what are the benefits of this reform process."

Failed

The Opposition Local Government Spokesman Paul Papalia says Mr Castrilli should resign over his attempts to force local councils to amalgamate.

Mr Papalia says Mr Castrilli has failed as the local government minister.

"At a time of global financial crisis John Castrilli has caused massive uncertainty and anxiety in the 13,000 strong local government workforce."

"He's set councils one against the other in a bid to survive and he's cost ratepayers millions of dollars, he should resign," he said.

Tags: government and politics local government wa abary 6320 broome 6725 Geraldton 8530 Kalgoorlie 6490 karathara 6714 perth 6000

Dear Chris,

Wild my opposition to the amalgamation of Shire Councils as proposed at Council last year is well documented, I wish to urge Council to re-consider its position on the matter in the light of recent media reports and indications from local government minister Castelli, to the effect that if he can't convince W.A. councillors that it is in their best interests to amalgamate, he too says he won't force them to, and indicates that State Government appears near to dropping the whole issue. This was reported on local radio on Thurs. 1st Fri 28th & 29th Jan 2010.

This then is in stark contrast to the information that Council had last year, when we agreed in principle, subject to certain pre-conditions being met, to amalgamate, when at the time we were given to believe that we would be forced down that path if we didn't do so voluntarily.

It has always been my conjecture that amongst other things Perenjori would
lose its identity if it amalgamated with other shires — the fact that there has been a competition running locally to name the new shire speaks for itself — if we name it something else then it won’t be Perenjori anymore!

Due to the diligence and wise decisions made by Councillors and Presidents in years gone by, Perenjori enjoys the reputation of being an efficient, well-run and well-financed shire. I feel that said, we are simply preparing to trade off all this hard work done by those people just to toe the line to a Local Government Minister who is in my opinion, just grandstanding.

The fact that our shire has only 550 or so population is immaterial and now we are on the cusp of major mining ventures starting and other industries canvassed by present Council to value add to our shire should be even more reason not to amalgamate with any other shire.

Up to now, and there is no reason to think that things will change, the amalgamation issue has been mostly planned and talked with the Ministers and his advisors constantly changing positions.

Taking this into account, I think it would be extremely naive of Council to expect to receive much financial incentive
from the State Government. To help with administration issues when it is already in such a precarious financial position it is struggling to fund core services now – A State has only made vague murmurs about financial help – nothing concrete.

As for future amalgamation, I have always maintained there will be more administration costs, not less, and a more remote and unreachable C.E.O. and Council, and less representation of ratepayers (remember we only have two Councilors, not nine) and all this will adversely translate to higher rates and much less service for our ratepayer dollar.

In conclusion then, far from being “just cut off the rank” if we go down the amalgamation path, we might end up almost being the “only cut off the rank” and this Council will be remembered as the Council that let go all that others have achieved to make Perenjori what it is and not the Perenjori which at present is envied by residents in other nearby shires as a shire that is not only efficient but also a generous and caring shire.

Yours sincerely,

Graeme K. Reid

Councillor Latham/Mea ward.
SHIRE OF CHAPMAN VALLEY
PO Box 1, Nabawa, WA 6532
Lot 7 Chapman Valley Rd, Nabawa, Western Australia
Telephone: (08) 9920 5011 Facsimile: (08) 9920 5155

13th January 2010

The Hon John Castrilli MLA
Minister for Local Government
Level 12
Dumas House
2 Havelock Street
WEST PERTH WA 6005

Dear Minister Castrilli

CUTS TO 2009/2010 COUNTRY LOCAL GOVERNMENT FUNDING

The Shire of Chapman Valley wishes to voice its serious concerns and disappointment regarding the deferment of Country Local Government funding (CLGF) for the 2009/2010 financial year.

Since your announcement in December 2009 I have spoken with a number of Local Governments, which, like Chapman Valley have budgeted for the income and in most cases advised its community of the works to be carried out in the 2009/2010 year. The need to now go back to the community and advise them the works will not be carried out in the current year due to an announcement by the State Government to defer the payments half way through that same financial year is not being well received.

The announcement to defer payments in the current year was made only a very short time after the majority of Local Government advised your Department (by way of Reform submissions) they are not interested in cooperatively participating in the Local Government reform process. Some people strongly believe the decision to defer payments was potentially influenced by the less than enthusiastic response by the majority of Local Governments to the Reform request of your Department.

As you are aware, the Shire of Chapman Valley has submitted a structural reform submission to potentially amalgamate with the Shire of Mullewa and City of Geraldton-Greenough and we believe that the decision to defer payments to all Local Governments has been a missed opportunity by the Government to reward the small minority of Local Governments, such as Chapman Valley, Mullewa and the City of Geraldton-Greenough who are taking the requests for Local Government Reform in Western Australia seriously, and have lodged Reform submissions accordingly.

The decision for the Shire of Chapman Valley to agree to potentially amalgamate with the Shire of Mullewa and City of Geraldton-Greenough has been by far the toughest
decision ever made by the Shire of Chapman Valley. The decision took into account that if Council agreed to take the request for Reform by your Government seriously, it would result in benefits to the Shire of Chapman Valley residents such as additional funding and improved infrastructure, not available to those Local Governments who have chosen to basically ignore the request for Local Government Reform.

We believe your Government should reconsider the decision to defer all CLGF in the 2009/2010 year and consider making payments as originally planned and budgeted to those Councils working positively towards meaningful Local Government Reform for Western Australia.

We look forward to hearing from you with regards to this matter. Should you have any queries please do not hesitate to contact me on 9920 5011 to discuss them.

Yours faithfully

Dick Sellienger
CHIEF EXECUTIVE OFFICER

Cc: Mr Tony Brun, CEO, City of Geraldton-Greenough
Cc: Mr Tom Hartman, CEO, Shire of Mullewa
Minister for Regional Development; Lands;
Minister Assisting the Minister for Transport;
Minister Assisting the Minister for State Development

Our ref: 27-09401

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

Dear Mr Scott

DEFERRAL OF COUNTRY LOCAL GOVERNMENT FUNDING - ROYALTIES FOR REGIONS

There has been comment in recent weeks about the Liberal-National Government’s decision to defer $90 million of Country Local Government Fund (CLGF) in 2009-10. There has also been speculation over the future of the CLGF.

I take this opportunity to clarify matters and outline how the CLGF will operate in 2009-10 and 2010-11.

The decision to defer CLGF this financial year became necessary when the Department of Treasury and Finance’s estimate of the State’s total royalty revenue for the full 2009-10 year was significantly downgraded as a result of the strong Australian dollar and other economic factors.

The Royalties for Regions Fund is linked intrinsically to royalty collections and any rise or fall of total royalty receipts invariably affects the fund. Revised royalty calculations for the Mid-Year Review resulted in a $130 million downward adjustment to the Royalties for Regions bottom line.

While the local government recurrent funding program took the brunt of the total deferral in the Mid-Year Review I reaffirm my commitment to the CLGF as a cornerstone of the Royalties for Regions program.

The CLGF was initiated to help local government redress a backlog of infrastructure issues and to make meaningful investments in community infrastructure. It was, and remains, an important plank of the Liberal-National Government’s formal agreement to return a larger share of the State’s royalties to the regions.
The CLGF was approved by State Cabinet on 13 October 2008 as one of three sub-funds of the Royalties for Regions Fund to deliver the equivalent of 25 per cent of Western Australia’s annual mining royalties to regional communities.

In late 2008 a total of $334 million (approximately half the estimated full-year royalty equivalent) was transferred to the Royalties for Regions Fund, enabling a broad range of programs to be established during the remaining six months of the 2008-09 financial year.

On 16 December 2008 I announced the distribution of $100 million of total Royalties for Regions funding through Western Australia’s 109 non-metropolitan local authorities. The first year’s distribution has been a success with a total of 585 local government community projects underway or completed.

As you would be aware, over the next few years, the Liberal-National Government is committed to seeing an increasing proportion of future rounds of the CLGF allocated for region-building initiatives driven by working partnerships of local governments.

To assist this process, funding will be allocated to the following components:

2009-10

STRATEGIC AND ASSET MANAGEMENT PLANS

Subject to Cabinet endorsement:
- Up to $7.5 million in Royalties for Regions funding is to be available this financial year for non-metropolitan local governments to access expertise for the development of individual strategic plans, asset management plans and forward capital works plans.
- Regional groups of local governments will also have access to this fund to identify, scope and plan regional priorities.
- Details of this program will be made available through the Department of Regional Development and Lands.

LOCAL GOVERNMENT RESTRUCTURE

A number of country local government authorities are currently investigating partnership arrangements, including collaborative groups and transitional groups.

Subject to Cabinet endorsement:
- Support funding of up to $2.5 million be made available from the Royalties for Regions Fund to assist those local government groups who have formalised their position and wish to proceed to amalgamation by investing in, for example, common operating systems and infrastructure.
2010-11

To lessen any impact that the 2009-10 deferral may have had on local governments in forward planning it is proposed that the funding be allocated in the following way.

DIRECT GRANTS

Subject to Cabinet endorsement:
- An amount equivalent to 65 per cent of total available funds allocated in the 2010-11 financial year to the CLGF be available to individual local governments under the existing formula. Minor revisions to the Stage 1 CLGF funding guidelines are currently being prepared, based on community and local authority feedback, including expanding the eligible funding categories and allowing some flexibility for carrying over funding for projects that are delayed or staged.
- It is envisaged that these funds will be available from the first quarter of the 2010-11 financial year.
- To access funds each local government must have finalised appropriate strategic, asset management and forward capital works plans.

REGIONAL GROUP GRANTS

Subject to Cabinet endorsement:
- An amount equivalent to 35 per cent of total available funds is allocated in the 2010-11 financial year to the CLGF to be available to assist cooperative groups of local governments develop and/or leverage funding for larger scale infrastructure projects that clearly demonstrate wider community benefits across their region (eg infrastructure developments to attract industry, such as upgrades to ports, roads, rail, communications, power etc).
- Applications will be sought from cooperative groups of local authorities based within the nine existing regions defined in the Regional Development Commissions Act 1993.
- In those development regions that contain large numbers of local authorities several applicant groupings may be considered.
- Local governments that have formally elected to amalgamate will also be considered to be a regional group.
- To access project funds applicant groups will be required to present a business case for their priority projects.
- Guidelines for the group funding component of CLGF will be available before the end of the financial year.
- Funds available to groupings of local governments will be calculated consistent with the existing CLGF formula.

LOCAL GOVERNMENT RESTRUCTURE

Subject to Cabinet endorsement:
- Support funding of up to $2.5 million be made available to assist those local government groups who have formalised their position and wish to proceed to amalgamation.
I hope this letter addresses most of the questions you have raised over the last few months and I look forward to providing you with more details on the funding guidelines in the near future.

In the meantime, I encourage you to progress partnerships with your neighbouring local governments and begin preliminary discussions on the priority projects that will give mutual benefit to the communities that you represent.

Yours sincerely

Hon Brendon Grylls MLA
Minister for Regional Development

03 Feb 2010
**10026.5 MAIN ROADS MOU FOR THE DELIVERY OF ISA SERVICES**

**APPLICANT:** MWRC

**FILE:** 0

**DISCLOSURE OF INTEREST:** 0

**AUTHOR:** SUZANNE WARD, MWRC & STAN SCOTT – CEO

**RESPONSIBLE OFFICER:** STAN SCOTT – CEO

**REPORT DATE:** 5 February 2010

**ATTACHMENTS**
Draft MOU – for the sake of brevity cover pages and signing pages have not been reproduced.

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**Executive Summary:**

The purpose of this agenda item is for Council to endorse a Memorandum of Understanding with Main Roads WA.

**Applicants Submission:**

**Meeting with Minister O’Brien**

The meeting between the Minister for Transport, Hon Simon O’Brien, MLC and staff, Main Roads representatives – John Marmion and Brian Noble and MWRC representatives – K Chappel, M Girando, G Treasure, S Scott & S Ward provided a positive result and two subsequent meetings with Main Roads have proved fruitful.

**Meetings with MRWA**

The most recent meeting was held last Friday 15th January 2010 at MRWA office in Perth between MRWA representatives – John Marmion and Brian Noble and MWRC representatives – Gavin Treasure and Suzanne Ward.

MWRC advised that their preferred approach is for MRWA to excise the region from the Mid West & Gascoyne ISA and have MWRC Councils deliver services under a separate arrangement with MRWA.

MRWA advised that they had sought legal advice on this excise preference and indicated that while they are unable to excise actual area / roads from the Network, it is acceptable to excise a package of services (that may be carried out by Local Government) from the Midwest / Gascoyne network Request for Proposal (RFP).

**Development of an MOU**

It is proposed that a preliminary agreement in the form of a Memorandum of Understanding (MOU) be entered into by MRWA and MWRC participating councils. The MOU (supplied under separate cover as appendix viii) reflects the initial establishment of a ‘Relationship Agreement’ between MRWA and MWRC Councils through a joint commitment between the two parties.
Following the signing of the MOU, MRWA will provide a facilitator and hold workshops with MWRC and Council representative to negotiate an agreement.

**Agreement must be reached in respect of all of the substantive matters of the Services Agreement by 25 June 2010, and the Services Agreement must be finalised and executed by 13th August 2010.**

**Process for Future Negotiations**

The method for future negotiations was determined as follows:-

1. Members of the negotiation team – John Marmion, Brian Noble, Tim Glenister, Gavin Treasure (or if unavailable another participating Council CEO) and Suzanne Ward. On an as required basis the negotiation team will also include all CEO’s, Works Supervisors / Managers and Finance Staff.

2. Rules / Principles for negotiations – MRWA will provide a facilitator and hold workshops to reach an agreement.

3. Required to provide final agreement to the negotiation outcomes – Regional Council, followed by individual councils.

4. Form of the agreement – An MOU to be followed by a pared down version of the agreement between MRWA and the ISP.

5. Relationship between Main Roads, Councils and the ISP – Needs to be a close working relationship with the ISA team and rules for this relationship will come out in the process.

**Local Government Services**

The services that may be excised for provision by LG were identified as:-

Routine maintenance across an identified area:-

9116 Pot hole repairs and road patching
9117 Guide posts and signage
9118 Removal of road kill
9119 Edge break repairs
9120 Clearing / cleaning of drains and culverts
9121 Maintenance of rest areas
9122 Inspections and reporting on a predefined basis
9123 Unusual event inspections (e.g. after fire, storms, flooding, etc) prior to opening road
9124 Minor improvement works (which are mandated to be shared with local suppliers)

Specific maintenance across an identified area:-

- Shoulder grading
- Gravel sheeting
- Drainage

Reseals will be carried out by the ISP and there may be opportunity for LG to access the ISP to deliver / supply Local Road reseals at the same time thereby providing cost saving to LG.
**Service Standards**

Standard of the services – will be determined during the negotiation process.

Obligations of both parties in respect to an agreement – will be determined during the negotiation process.

The agreed date at which, if negotiations are not finalised, the negotiations are deemed to have failed and suggested services will then become part of the ISA arrangement – 30th June 2010.

**Service Delivery**

How the services will be delivered i.e. utilising existing resources or requirement to purchase new resources – MRWA will provide a scope of works for each of the following years commencing in March 2010.

**Duration**

Duration of the agreement – 5 years with option to continue and expand / grow LG involvement.

**Payments**

How payments for services may be calculated in a manner that provides Councils with an appropriate return and provides Main Roads WA with demonstrated value – Main Roads holds a commercial workshop with the ISP and it is planned that this will also be done for / with Local Government who will have appropriate finance staff present.

**Meeting Summary**

The outcomes of the meeting were extremely positive with MRWA keen to establish a long term relationship / agreement with MWRC Councils. The initial MOU is seen to be an important document as it sets the basis of commitment between the parties going forward (NB: in the past, deadlines and arguably some lack of commitment has hindered progress towards establishing an outcome). It is proposed that this MOU is executed at an official signing ceremony between the Commissioner of Main Roads WA and MWRC participating Council Shire Presidents. A date will need to be set to recognise this important milestone / event.

The ‘bolded section’ above reflects the basis upon which MRWA and MWRC have in principally agreed to move forward. It effectively reflects the scope of works that MRWA will permit the MWRC Councils to undertake. This outcome is a tremendous result for the MWRC and sets the scene for a Relationship Agreement to be established based on this works listing. A 30th June 2010 deadline has been agreed as an adequate timeline for the details of the final agreement to be established and signed off between the parties.

**Background:**

Since 2007 the Mid West Regional Council (MWRC) has been working towards a collaborative arrangement between Main Roads Western Australia and the MWRC Shires of Coorow, Mingenew, Morawa, Mullewa, Perenjori and Three Springs for the delivery of selected road management services on both Main Roads and Local Government roads within the area covered by these Local Government areas i.e. a portion of ISA Contract 23/08, Mid West & Gascoyne Regions. A consultant was appointed in September 2008 and has been working on the proposal for the last 12 months in conjunction with MRWA and MWRC.
Over the course of discussions with MRWA, a number of different approaches were considered, culminating in a proposal which provided for the six Local Governments to participate in the Integrated Services Arrangement (ISA) in the role of Joint Asset Owner. Agreement failed to be reached on this proposal and a meeting was convened with the Acting Commissioner for Main Roads, Mr Des Snook on 20th November 2009 followed by a meeting with the Minister for Transport, the Hon Simon O’Brien, MLC on 16th December 2009.

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.

Mid West Regional Council Establishment Agreement and the Memorandum of Understanding between MRWA and participating Councils.

Policy Implications: Nil

Financial Implications:
The potential value of MRWA works within this part of the region have not been qualified.

Strategic Implications:
MRWA works provide the opportunity for additional Council staff and equipment.

Consultation:
Minister for Transport, Hon. Simon O’Brien, MLC and staff, Mr D Snook (Acting Commissioner MRWA), Mr John Marmion (MRWA), Mr B Noble (MRWA), Mr R Barnsley (MRWA), Mr Tim Glenister (MRWA), Mr Bill Mitchell (WALGA), Ms R Burges (WALGA), Ms M McKenzie (WALGA), Mr M Keane (Greenfield Technical Services) & MWRC Technical Advisory Group.

Comment:
Two months ago this project seemed to be dead in the water but has been resurrected by a very fruitful meeting with the Minister, and some hard work since then particularly from Suzanne Ward and Gavin Treasure.

Voting Requirements:
Simple Majority

Officers Recommendation:
That Council authorises the CEO and President to execute the Memorandum of Understanding with Main Roads WA with such minor amendments as may be negotiated so long as it retains the spirit and intent of the draft;

That Council authorises the CEO to negotiate service agreements with Main Roads WA on behalf of Council.

Council Resolution:
Moved: Cr Graeme Reid   Seconded: Cr Rodney Desmond
That Council authorises the CEO and President to execute the Memorandum of Understanding with Main Roads WA with such minor amendments as may be negotiated so long as it retains the spirit and intent of the draft;

That Council authorises the CEO to negotiate service agreements with Main Roads WA on behalf of Council.

Carried: 9/0
Agreement

Draft
27 January 2010

Delivery of Road Asset Management Services

Memorandum of Understanding

Commissioner of Main Roads
Shire of Coorow
Shire of Mingenew
Shire of Morawa
Shire of Mullewa
Shire of Perenjori
Shire of Three Springs

Freehills
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The agreement

Preamble
This Memorandum of Understanding has been developed by Main Roads and the Councils to demonstrate the positive and full commitment of the parties to arrive at a mutually acceptable and beneficial arrangement for the delivery of a selection of services by the Councils on specified sections of the Main Roads Mid West & Gascoyne road network. It is the intent of the parties to reach an agreement that will capture this commitment.

Background
1. Main Roads has developed a strategy for the delivery of road asset management services on Main Roads’ road network throughout the State of Western Australia following the expiry of the Term Networks Contracts. This strategy will result in the development of Integrated Services Arrangements (ISAs) between Main Roads and private sector participants to deliver road asset management services.

2. Main Roads has identified a number of objectives and goals for the ISAs including:
   - the ISAs will operate on a “best for network” approach;
   - the ISAs will provide flexibility to manage uncertainty and be readily able to adjust to change on the road network thereby creating a long-term sustainability of approach;
   - the ISAs will not be adversarial or focused on contractual issues, but will operate within a culture of open communication and collaborative decision-making; and
   - sustainable long-term involvement of local government and regionally-based suppliers will be utilised where a demonstrable and viable business case exists.

3. Main Roads recognises that a number of the objectives contained in its ISAs strategy are consistent with or similar to the objectives of the Councils.

4. Main Roads and the Councils have held discussions in an attempt to reach an agreement as to the manner in which the Councils may be involved in the delivery of road asset management services on portions of Main Roads’ road network following the expiry of the Term Network Contract for Road Outcome Based Maintenance and Rehabilitation for Network 3 – Mid West and Wheatbelt North Regions – Contract No 3/99 (Term Network Contract 3).

5. The discussions between Main Roads and the Councils have reached a stage where there is strong “in principle” commitment for Main Roads and the Councils to negotiate, agree, finalise and execute an agreement (Services Agreement) under which the Councils will:
   - deliver the road asset management services set out in section 1 of the Schedule (Relevant Services) in respect of some of the portions of Main Roads’ road network set out in section 2 of the Schedule (Relevant Roads); and
   - be given status as a potential deliverer of minor construction and rehabilitation works on Main Roads’ road network and be offered opportunities to undertake these works in accordance with Main Roads’ delivery strategy.
The agreement

6. This Memorandum of Understanding (MOU) sets out the manner in which the parties will attempt to negotiate, agree, finalise and execute the Services Agreement.

7. If Main Roads and the Councils are not able to negotiate, agree, finalise and execute the Services Agreement in accordance with this MOU, then Main Roads may elect to procure the delivery of the Relevant Services on the Relevant Roads through its ISAs procurement and delivery strategy or otherwise so as to ensure service continuity at the expiry of Term Network Contract 3.

The parties agree as set out in the Operative part of this agreement, in consideration of, among other things, the mutual promises contained in this MOU.
Operative part

1 Negotiation, agreement, finalisation and execution

1.1 Services Agreement

(a) As at the date of this MOU, the parties undertake to negotiate in good faith in a manner consistent with this MOU and use their best endeavours to:

(1) reach agreement in respect of all of the substantive matters of the Services Agreement by no later than 25 June 2010 or such other date as agreed by Main Roads, including the following matters:

(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.

(2) finalise and execute the Services Agreement by no later than 13 August 2010 or such other date as agreed by Main Roads.

(b) In deciding whether or not to agree to any change to the date set out in clause 1.1(a)(1) or clause 1.1(a)(2), Main Roads will be entitled to exercise its absolute discretion (including having regard to its objective of ensuring service continuity at the expiry of Term Network Contract 3).

(c) The Councils acknowledge and agree that it is their sole responsibility to comply with all of the requirements of the Local Government Act 1995 (WA) necessary to execute the Services Agreement with Main Roads in accordance with this MOU.

1.2 Workshop

The parties agree to conduct and participate in a workshop within 14 days of the date of execution of this MOU at which the parties will agree the manner in which the Services Agreement will be negotiated, agreed, finalised and executed under this MOU, including agreeing the following matters:

(a) the identity of the members of the negotiation team of each party (which members must be duly authorised to negotiate the Services Agreement on behalf of the party);
(b) the rules and principles which will apply to the negotiations between the parties under this MOU;
(c) the timeframes for negotiating and reaching agreement in respect of the various parts of the Services Agreement and the deliverables for which each party will be responsible as part of the negotiations under this MOU; and

the manner in which final sign off and approval to the form of Services Agreement negotiated and agreed between the parties under this MOU will be obtained by each party.
2 Termination

(a) Unless otherwise agreed between the parties, this MOU will terminate:
   (1) upon execution of the Services Agreement;
   (2) if the parties have not reached agreement in respect of all of the substantive matters of the Services Agreement by 25 June 2010 or such other date as agreed by Main Roads in accordance with clause 1.1(a)(1); or
   (3) if the parties have not finalised and executed the Services Agreement by 13 August 2010 or such other date as agreed by Main Roads in accordance with clause 1.1(a)(2).

(b) The Councils acknowledge and agree that, if this MOU terminates in accordance with clause 2(a)(2) or 2(a)(3):
   (1) Main Roads will be entitled, in its absolute discretion, to procure the delivery of the Relevant Services on the Relevant Roads from the ISAs or otherwise; and
   (2) Main Roads will not be in any way liable for any loss or damage suffered by the Councils arising from the termination of this MOU.

3 General

3.1 Legally binding
This MOU is intended to be legally binding on the parties.

3.2 Assignment of MOU
This MOU may not be assigned by any of the parties without the prior consent of all of the other parties.

3.3 Governing Law
This MOU is governed by the laws of Western Australia and each party will submit to the exclusive jurisdiction of the courts of Western Australia.

3.4 Execution
Each party will do all things and execute all further documents necessary to give full effect to this MOU.

3.5 Variation
A variation of the terms of this MOU must be in writing and signed by all of the parties.

3.6 Costs and expenses
Each party will pay its own other costs and expenses in respect of this MOU and the matters contemplated by this MOU.
Schedule

Relevant Services and Relevant Roads

1 Relevant Services

The following road asset management services:

(a) routine road inspections (including the removal of debris and road kill identified during those inspections);
(b) providing advice to Main Roads in respect of the inspections described in paragraph (a);
(c) delivery of routine maintenance;
(d) litter collection and maintenance of stopping places;
(e) shoulder grading;
(f) shoulder reconstruction and rehabilitation; and
(g) drainage maintenance (which is not associated with structures).

2 Minor construction and rehabilitation works

Under the Services Agreement, the Councils may be given status as a potential deliverer of minor construction and rehabilitation works on Main Roads' road network and be offered opportunities to undertake these works in accordance with Main Roads' delivery strategy.

3 Relevant Roads

The following roads:

(a) Brand Highway – Shire of Coorow Southern Boundary to the Midlands Road intersection;
(b) Midlands Roads – Shire of Coorow Southern Boundary to the Brand Highway intersection;
(c) Mingenew – Morawa Road – Whole length of road;
(d) Indian Ocean Drive – Shire of Coorow Southern Boundary to the Brand Highway intersection;
(e) Eneabba – Coolimba Road – Whole length of road;
(f) Wubin – Mullawa Road – Shire of Perenjori Southern Boundary to the Geraldton Mt Magnet Road intersection; and
(g) Great Northern Highway – The section of the road within the Shire of Perenjori.
Executive Summary:
An advanced draft Trail Master Plan for the Shires of Morawa & Perenjori has been received from Shire consultants, Kulbardi Hill Consulting. A copy of the draft Trail Master Plan has been appended to Council’s Agenda Papers for review / consideration. Mr Jesse Brampton from Kulbardi Hill Consulting will also be available to provide a project overview / presentation for Councillors at the Meeting.

Applicants Submission:
In Morawa and Perenjori, the main objective is to develop a series of trails that will attract and keep visitors in the towns and in the region. However, as with most trail projects, there will be a range of benefits accruing to the communities which host the trails.

The adopted 2009/10 financial year budget for the Shire of Perenjori incorporated an allocation to enable planning to commence to establish a Trail Master Plan for the Shire of Perenjori. The Shire of Morawa included a similar allocation for such purposes.

The accompanying draft report is representative of trail planning process as completed, including detailed consultation held with interested local community group members.

The consultants have recommended three components to the final Trail Master Plan for the Shire of Morawa:

1. Old Rothsay Heritage (Drive) Trail
The Old Rothsay Heritage (Drive) Trail is a 233 km self guided drive trail linking the two towns of Morawa and Perenjori. The route of the drive trail is all to the east of the town of Morawa...
Mullewa – Wubin Road and includes a mix of well constructed and maintained sealed and gravel roads.

A total of 18 stopping places or interpretative sites are recommended for inclusion on the drive trail, not including the trailheads of Morawa and Perenjori. These include:-

- Old Railway Bridges
- Koolanooka Mine Lookout
- Koolanooka Springs
- Timber Reserve
- Stony Hill Causeway
- Boida Outcamp
- Karara Woolshed
- Experimental Farm
- Sandalwood Cutters Shack
- Monks Well
- East Damperwah Well
- Rothsay
- State Barrier Fence
- John Forrest Lookout
- Camel Soak
- Mongers Lake Lookout
- Orchid Ridge
- Farmhouse Ruins

Drive trails depend on two key aspects for their success or their failure:-

1. The aesthetic appeal and interest of the natural landscape, and
2. The variety and richness of heritage sites and associated stories

In both cases, the consultants advise that the 230 km loop is much blessed. It passes through country that is both interesting and varied, and is dotted with historic sites spanning themes as widespread as early gold mining, aboriginal culture, pastoralism and the wool industry, European exploration, the rabbit proof fence and iron ore mining. This is unusually rich raw materials for an “outback” trail so (relatively) close to Perth.

2. Perenjori People’s Pathway

The People’s Pathway draws on the sense of place and community that was reported during community consultations. It draws upon information supplied by older residents and can be complimented by information already recorded in oral histories. A total of 23 interpretive locations have been identified in a loop based around Fowler Street.

3. Perenjori Bushland Trail

The Perenjori Bushland Trail is a 2,180 metre walk through an attractive patch of remnant bushland to the north west of the town. It can be commenced from either of two locations: the information bay on Fowler Street (via a section of the proposed Perenjori Peoples’ Pathway), or from the actual commencement point of the new trail, just to the west of the railway crossing. The trail should be signposted as a one-way loop (in an anti-clockwise direction) to simplify construction, reduce costs and make way finding easier for visitors.
Background:
Local Governments and community groups across Australia have been keen to develop trails within their communities for many years and government agencies have been providing funding for trails projects because of the broad range of benefits they provide.

Trail projects can make a positive community contribution in five key areas:
• They can help attract visitors and more importantly they can keep visitors in town for longer;
• They provide an ideal resource for low-impact physical activity, encouraging walking and / or jogging and potentially contributing to the health of the community;
• They can prompt the community to recognise and record its human and natural heritage;
• They can help bring together disparate groups within the community by providing non-threatening common ground; and
• They can contribute to a sense of pride by highlighting what is good and rich and of value to the community.

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 costs for the 3 trails are set out below:

**Summary of all Costs – Old Rothsay Heritage Trail**

<table>
<thead>
<tr>
<th>Project</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interpretive signs &amp; associated elements</td>
<td>$81,910</td>
</tr>
<tr>
<td>Site works and on-trail construction (Works List)</td>
<td>$116,060</td>
</tr>
<tr>
<td>Directional, site and special signs, inc installation</td>
<td>$61,540</td>
</tr>
<tr>
<td>Trail map / promotional brochure (Part 1, Section 4)</td>
<td>$18,320</td>
</tr>
<tr>
<td><strong>Total (not including GST)</strong></td>
<td><strong>$277,830</strong></td>
</tr>
<tr>
<td>GST @ 10%</td>
<td>$27,783</td>
</tr>
<tr>
<td><strong>Total including GST</strong></td>
<td><strong>$305,663</strong></td>
</tr>
</tbody>
</table>

This project would be a joint project between the two Shires, and therefore the cost for each Shire would be $138,915 ex GST.
This project includes 405 metres of concrete pathways. Using a formed natural surface rather than new concrete paths would significantly reduce the costs.

**Summary of all Costs – Perenjori Peoples’ Pathway**

<table>
<thead>
<tr>
<th>Project</th>
<th>Option 1 (paths inc)</th>
<th>Option 2 (no paths)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interpretive signs &amp; associated elements</td>
<td>$81,330</td>
<td>$81,330</td>
</tr>
<tr>
<td>Site works and on-trail construction (Works List)</td>
<td>$125,740</td>
<td>$50,010</td>
</tr>
<tr>
<td>Trail map / promotional brochure (Part 1, Sec 4)</td>
<td>$3,650</td>
<td>$3,650</td>
</tr>
<tr>
<td><strong>Total (not including GST)</strong></td>
<td>$210,720</td>
<td>$134,990</td>
</tr>
<tr>
<td>GST @ 10%</td>
<td>$21,072</td>
<td>$13,499</td>
</tr>
<tr>
<td><strong>Total including GST</strong></td>
<td>$231,792</td>
<td>$148,489</td>
</tr>
</tbody>
</table>

Strategic Implications:
The pathways project contributes to regional tourism development and also contributes to townscape goals.

Consultation:
Consultation involved the caravan park and tourist centre volunteers. Older residents continued information about previous land use in the main street.

Comment:
Council last year adopted the “Exploring Wildflower Country” tourism plan to attract travellers to use the Dalwallinu to Geraldton Route. The local pathways plan are a means to capture visitors using this route for longer periods.

It is important to bear in mind that this is a long term strategy and a means to attract funding. The first step in developing these facilities is adopting the plan. Funding can then be attracted over several years.

Voting Requirements:
Simple Majority
Officers Recommendation:

It is recommended that Council resolve as follows:

- The Joint Trail Master Plan for the Shire of Morawa and Shire of Perenjori (incorporating Trail Development Plans for priority projects in each Shire) be adopted

- Grant applications be prepared and submitted with targeted funding agencies to assist with project delivery.

- The CEO seek Council support for project delivery when grant funding has been obtained.

Council Resolution:

Moved: Cr Jenny Hirsch  Seconded: John Cunningham

- The Joint Trail Master Plan for the Shire of Morawa and Shire of Perenjori (incorporating Trail Development Plans for priority projects in each Shire) be adopted

- Grant applications be prepared and submitted with targeted funding agencies to assist with project delivery.

- The CEO seek Council support for project delivery when grant funding has been obtained.

Carried: 9/0
10026.7 DEPARTMENTAL TRAINING FOR ELECTED MEMBERS

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

RESPONSIBLE OFFICER: STAN SCOTT – CEO

REPORT DATE: 5 FEBRUARY 2010
ATTACHMENTS: NIL

Executive Summary:
MWRC is attempting to arrange Elected member training by Jenny Law from the Department for Local Government.

Applicants Submission:
Jenny Law has indicated she is available to conduct training between 10 March and the end of March. The Regional Council members agreed that Three Springs would be a reasonable venue.

Background:
Member Councils have been discussing for some time flexible training delivery in the Region. The intention is to tailor training to local needs rather than trying to fit in with the Modules in the Elected Member development program.

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:
Each Council would meet its share of any costs.

Strategic Implications:
Elected member training should contribute to governance goals.

Consultation:
Feedback from previous departmental training has been positive.

Comment: Nil

Voting Requirements:
Simple Majority

Officers Recommendation:
That elected members indicate their interest in attending departmental training.
Executive Summary:

The Wheatbelt catchment Alliance is seeking a contribution from the Shire to the development of a business plan.

Applicants Submission:

The Wheatbelt Catchment Alliance consists of representatives of the major inland catchments in Western Australia’s wheatbelt. The WCA has been concerned that funding to address salinity no longer seems to be available. It met with the Minister for Regional Development seeking funding support and were advised that they needed to be able to demonstrate to government that investment in addressing salinity and in particular drainage projects makes economic sense.

As a result the WCA is seeking funding to prepare a comprehensive business case in support of that investment. They have completed an application for funding through the Wheatbelt Regional Grants Scheme. They are hoping to get matching funding from affected stakeholders, particularly Local Governments. They are seeking $2,000 from Perenjori.

Background:

A substantial portion of the Yarra Yarra Catchment which pioneered drainage projects in WA, is within the Shire of Perenjori. Council is a member of the YYCRC.

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:

At Council’s April 2009 Meeting the YYCRC made a presentation, including proving a forecast for member contributions for 2009/10. That forecast indicated Perenjori’s contribution was estimated at $42,000. This figure was included in the Shire of Perenjori budget. When the YYCRC adopted its budget in September 2009 the
Shortfall was considerably lower, and Perenjori’s contribution was reduced to $22,960.

The over-allocation will be addressed in the budget review which will be considered by Council in March 2010. This does however provide a budget item against which a WDC contribution could reasonably be drawn.

**Strategic Implications:**

If the WCA is successful in gaining financial support for the drainage strategy much of the work will benefit the Yarra Yarra.

**Consultation:**

WDC is writing to all affected Shires.

**Comment:**

Since the change of Commonwealth government and the promulgation of the Caring for Country program many of the priorities and issues with the greatest impact on this are have not been funded. A new ‘business case’ to encourage further investment would be welcome.

**Voting Requirements:**

Absolute majority

**Officers Recommendation:**

That Council contribute $2000 towards the development of a Business Case for Salinity recovery by the Wheatbelt Catchment Alliance.

That the cost of this contribution be drawn from the budget allocation for Account 10900.

**Council Resolution:**

Moved: Cr Laurie Butler  Seconded: Cr Cathy Johnston

That Council contribute $2000 towards the development of a Business Case for Salinity recovery by the Wheatbelt Catchment Alliance.

That the cost of this contribution be drawn from the budget allocation for Account 10900.

Carried: 9/0
10th Dec 2009
Mr. Stan Scott,
C.E.O. Perenjori Shire Council,
P.O. Box 22 Perenjori 6620.

Dear Stan,

I am writing to you as Chairperson of the Wheatbelt Catchment Alliance of W.A. Inc. (WCA)
The WCA membership consists of representatives from major drainage regions in the wheatbelt
namely Yarra Yarra, Mortlock, Yilgarn, Lockhart, Salt River and Dumbleyung (see logo map above).
The WCA aims to develop and deliver salinity management options that will significantly benefit
landholders and communities in wheatbelt regions. The representatives for your area is Mr. Max
Hudson 96671021 and Mr. Peter Syme 96641002

The Yarra Yarra Catchment Region listed above is a member of the Wheatbelt Catchment Alliance
and has established a working model of arterial drain establishment and management incorporating
an accredited system of Governance. The WCA propose to extend the concept of this model into
other catchment regions of the wheatbelt. To this end the WCA are currently preparing a proposal
for State Cabinet that outlines a funding program to excavate 1,000 km deep drains, with associated
surface water channels, within the catchment regions mentioned above. The time frame will be
dependent on the availability of Government funding. The total investment required from
Governments would be in the vicinity of $30,000,000 for administration and capital works.
The YYCRG’s allocation from the first year of this program is $2.25 Million.

It is vitally important that we change the thinking of the State Government regarding the
significance of deep drainage in the wheatbelt to relieve the salt problem and also the necessity for
Government to invest in the establishment of arterial drainage networks within the Wheatbelt
catchment regions. These networks will provide farmers in salt affected valley floors with access to
an arterial drainage network that will deliver saline water out of their properties for safe disposal.

We need to present this proposal in a sophisticated format that will meet all aspects of Treasury
scrutiny. We were aware that to do this we needed to engage a consultant skilled in preparing such
documents. The WCA committee have agreed to enlist the services of Keston Technologies Pty.
Ltd., subject to us being able to raise the necessary funds. The cost of preparing these documents
has been quoted as $37,500 and the preparation would be carried out in a staged process (See
schedule attached).

WCA are seeking your support in the form of a donation of $2,000 as a contribution towards
the development of our business plan.
The Minister for Regional Development Brendon Grylls has suggested that we take this action as without treasury approval we will never get this project of the ground. We believe that once the concept has been accepted then funds will become available through the normal channels of Royalties for Regions and the State NRM office.

A schedule for preparing a proposal for us which will include a business plan, has been submitted by Keston Technologies Pty. Ltd. and is outlined below.

<table>
<thead>
<tr>
<th>No.</th>
<th>Activity</th>
<th>Notes</th>
<th>Estimated Days</th>
<th>Estimated Cost (excl GST)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Research on documentation. Liaison with the Wheatbelt Catchment Alliance</td>
<td>Depends on length of assignment, but assume five half day monthly meetings with the Wheatbelt Catchment Alliance plus up-front 3 days work on documents and research</td>
<td>5.5</td>
<td>$5,500</td>
</tr>
<tr>
<td>2</td>
<td>Stakeholder consultations</td>
<td>Meetings with stakeholders, including DoW, DOIR, CRCs, local governments, NRM Groups, Development Commissions etc. Number of days required depends on numbers and locations of meetings.</td>
<td>5</td>
<td>$5,000 plus travel costs</td>
</tr>
<tr>
<td>3</td>
<td>Extension of Cost-Benefit Analyses</td>
<td>Extend existing Cost-Benefit Analyses to whole project</td>
<td>4.5</td>
<td>$4,500</td>
</tr>
<tr>
<td>4</td>
<td>Project documentation – risk management plan, options analysis, technical due diligence etc.</td>
<td>Key analyses required to produce a robust business case</td>
<td>7</td>
<td>$7,000</td>
</tr>
<tr>
<td>5</td>
<td>Financial modelling, including PPP model</td>
<td>Develop projections for PPP model. Will feed into Cost-Benefit Analyses</td>
<td>2</td>
<td>$2,000</td>
</tr>
<tr>
<td>6</td>
<td>Draft business case</td>
<td>Include results from documentation above. Produce stand-alone business case.</td>
<td>3.5</td>
<td>$3,500</td>
</tr>
<tr>
<td>7</td>
<td>Final business case</td>
<td>Iterate business case with ??? and produce final business case</td>
<td>2</td>
<td>$2,000</td>
</tr>
<tr>
<td>8</td>
<td>Draft submissions</td>
<td>Depends on number and type of submissions, but assume one submission to cabinet and two submissions to funding schemes</td>
<td>8</td>
<td>$8,000</td>
</tr>
</tbody>
</table>
An indicative budget for year one of the WCA drainage proposal

<table>
<thead>
<tr>
<th>Program Components</th>
<th>Year 1</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1. Assessment</strong></td>
<td></td>
</tr>
<tr>
<td>To ascertain:</td>
<td></td>
</tr>
<tr>
<td>1. what catchments need urgent attention</td>
<td>$250,000</td>
</tr>
<tr>
<td>2. what communities are interested in establishing an arterial drainage network</td>
<td></td>
</tr>
<tr>
<td>3. What is the extent of the problem</td>
<td></td>
</tr>
<tr>
<td><strong>2. Governance</strong></td>
<td></td>
</tr>
<tr>
<td>1. Drainage Board $150,000</td>
<td>$500,000</td>
</tr>
<tr>
<td>2. Catchment Regional Organisation of Councils (Local Govt.) With associated staff $350,000</td>
<td></td>
</tr>
<tr>
<td><strong>3. Catchment Water Planning and Design in selected catchments</strong></td>
<td></td>
</tr>
<tr>
<td>1. On ground assessment (water table depth) observation bores</td>
<td>$500,000</td>
</tr>
<tr>
<td>2. Soil analysis (inspection pits)</td>
<td></td>
</tr>
<tr>
<td>3. RTK Survey (topographical information)</td>
<td></td>
</tr>
<tr>
<td><strong>4. Construction</strong></td>
<td>$3,000,000</td>
</tr>
<tr>
<td>1. Construction 100 km for stage 2 of the Yarra Yarra pilot project. The Yarra Yarra pilot project is only one third completed This project has been put temporarily on hold since the drying up of Federal Funds. It is essential a further 100 km of drains are constructed to establish a whole of catchment demonstration and to justify the existence of the Yarra Yarra Catchment Regional Council (Local Govt)</td>
<td></td>
</tr>
<tr>
<td>2. Extend the Dumbleyung fence road drain to the Dumbleyung lake</td>
<td></td>
</tr>
<tr>
<td><strong>5. Monitoring</strong></td>
<td>$250,000</td>
</tr>
<tr>
<td>1. The Yarra Yarra Pilot project has been running for 3 years and over 100 kms of drains have been constructed and fenced with associated revegetation established</td>
<td></td>
</tr>
<tr>
<td>2. A comprehensive monitoring program has been established over seen by management staff and a full time Soil scientist and Botanist. Information emanating from this program is providing a yardstick for monitoring, construction design and water management for our proposal. It is vital that the program is ongoing</td>
<td>$4,500,000</td>
</tr>
</tbody>
</table>
Full Funding Timeline

The schedule below is set out for a five year funding period, but in reality funds may not flow so rapidly.

<table>
<thead>
<tr>
<th>Program Components</th>
<th>2010/11 Million</th>
<th>2011/12 Million</th>
<th>2012/13 Million</th>
<th>2013/14 Million</th>
<th>2014/15 Million</th>
<th>Total Million</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Assessment</td>
<td>0.25</td>
<td>0.25</td>
<td></td>
<td></td>
<td></td>
<td>0.50</td>
</tr>
<tr>
<td>(2) Governance</td>
<td>0.50</td>
<td>0.50</td>
<td>0.50</td>
<td>0.50</td>
<td>0.50</td>
<td>2.50</td>
</tr>
<tr>
<td>(3) Catchment water planning and design</td>
<td>0.50</td>
<td>0.75</td>
<td>0.75</td>
<td></td>
<td></td>
<td>2.00</td>
</tr>
<tr>
<td>(4) Construction *</td>
<td>3.00</td>
<td>4.50</td>
<td>4.50</td>
<td>4.50</td>
<td>4.50</td>
<td>21.00</td>
</tr>
<tr>
<td>(5) Monitoring, evaluation and research</td>
<td>0.25</td>
<td>0.50</td>
<td>0.50</td>
<td>0.50</td>
<td>0.25</td>
<td>2.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>4.50</strong></td>
<td><strong>6.50</strong></td>
<td><strong>6.25</strong></td>
<td><strong>5.50</strong></td>
<td><strong>5.25</strong></td>
<td><strong>28.00</strong></td>
</tr>
</tbody>
</table>

Conclusion

While there are other funding opportunities available for this type of request such as the Royalties for Regions Regional Grants Scheme, funds from these schemes will not be available until around the middle of 2010.

There is some urgency in getting the required funds together to set up our business plan as we plan to use information from this document to apply for part of the funds for our proposal from the Regional Grants Scheme which closes in February 2010. The Regional Grants Scheme will only provide funds of up to around $500,000. We will need to negotiate with Government direct to access funds for large capital items such as drain excavation.

We do hope you will give our request serious consideration and reinforce the concept of regional self help projects rather than relying on Government agencies to take the initiative. In reality Government agencies do not have the resources to conduct large scale implementation programs.

Your contribution of $2,000 or whatever you think is appropriate would be of great assistance to us.

Please send donations to the Secretary Wheatbelt Catchment Alliance of W.A. P.O. box 34 Kalannie
Banking Details
**BSB 306-008**
**Account number 0126260**

Please take time to read the information sheets below. These will reinforce the need for arterial drainage systems in the wheatbelt. Cost benefits from the WCA proposal are outlined on page 22

Yours Sincerely

[Signature]
Max Hudson
Chair person of the Wheatbelt Catchment Alliance Inc.
Executive Summary:
The MWRC met on 3 February 2010 in Morawa

Applicants Submission:

Future of the Midwest Regional Council

Following a submission from the Chairman of the MWRC, members agreed to canvas the views of member Councils on winding up the MWRC. There is a separate agenda item dealing with this issue. A subsequent motion not to pursue funding to consider future options for the MWRC lapsed for want of a seconder.

Deferral of 09-10 Country Local Government Fund

The MWRC noted the withdrawal (deferral) of Country Local Government Fund under the Royalties for Regions Program and resolved as follows:

MWRC CEO write to the Minister for Regional Development, Hon Brendan Grylls, MLC requesting: -

a) The Minister honour a previous publicly announced commitment to use the Royalties for Regions (R4R) Country Local Government Fund in recognition of those Councils that embrace structural reform; and

b) Councils that have agreed to amalgamate be initially rewarded through making payments available to them in the current (2009-2010) financial year.

Compliance and Audit Return

Council endorsed the 2009 Compliance Audit Return.

Enterprise Based Productivity Places
The MWRC has been granted on behalf of the Shires of Perenjori, Morawa, Three Springs and Mingenew 20 training places for staff. Council endorsed the MWRC application.

**Main Roads Integrated Service Agreement**

A delegation from the MWRC to the Minister For Transport Simon O’Brien resulted in an instruction from the Minister for the department to progress an arrangement with the MWRC for the delivery of services. As a result a draft MOU had been prepared. The MOU was endorsed by the MWRC and forwarded to Councils for consideration – see separate Agenda Item.

**Grain Freight Network Review**

Cr King briefed Council on the results of the Grain Freight Network Review. The MWRC resolved to use the outcomes of the review to seek State Government Commitment to the upgrade of the Perenjori to Morawa Road and the Morawa to Mullewa Road.

**Background:**

Five of the seven members of the MWRC have now given notice of their intention to withdraw. Under the terms of the Establishment Agreement Coorow and Carnamah will cease to be members on 30 June 2010, and Mullewa, Mingenew and Three Springs will cease to be members on 30 June 2011.

**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:**

  If there are any glitches in the structural reform process we risk having no regional structures in place.

- **Consultation:** Nil
- **Comment:** Nil

**Voting Requirements:**

Simple Majority

**Officers Recommendation:**

That Council notes the outcomes of the MWRC meeting

**Council Resolution:**

Moved: Cr Laurie Butler  
Seconded: Cr Jenny Hirsch

That Council notes the outcomes of the MWRC meeting

Carried: 9/0
Ms S Ward
Chief Executive Officer
Mid West Regional Council
PO Box 3276
GERALDTON WA 6530

Dear Ms Ward

INTEGRATED SERVICES ARRANGEMENTS (ISA)
MID WEST AND GASCOYNE NETWORK
POTENTIAL INVOLVEMENT OF MID WEST REGIONAL COUNCIL

I refer to our meeting on Friday, 20 November 2009, which was also attended by representatives of your Regional Council and WALGA to discuss the Mid West Regional Council member Local Governments involvement in the above Integrated Service Arrangement (ISA).

The considerable effort undertaken to date by all in an attempt to reach an agreement on a virtual joint ownership covering a combined Main Roads and Local Government network, to take into the next phase of the procurement process of the above ISA, is certainly appreciated.

It is unfortunate that this effort has not as yet resulted in the completion of that agreement. However, it is important to acknowledge the value of the work to date which has enabled Main Roads to clearly identify in the Request for Proposals (RFP) the opportunities for Local Government to participate in the ISA. The potential benefits for Local Government, Main Roads and the wider Mid West community are recognised and I wish to reiterate my support for achieving a mutually satisfactory outcome from this ambitious and innovative approach to road management.

It must however be recognised that this approach was always going to be a major innovation requiring significant effort by all involved to achieve the desired outcome. Main Roads continues to be very enthusiastic in finding mutually beneficial ways of ensuring that Local Government involvement is maximised.

In consideration of the current status of the Mid West Regional Council (MWRC) business case, and other unrelated issues, Main Roads is now postponing the release of the RFP documents for this ISA until mid January 2010. This postponement provides an opportunity to continue to work on the MWRC business case. However, there is still a considerable amount of work to be done to reach a point where all parties will be ready to execute the necessary agreements.
Whilst I appreciate the desire of the MWRC to finalise the business case prior to Christmas, it is Main Roads' view that the most appropriate way forward now is to continue to work closely together to ensure complete alignment and understanding by all parties, without necessarily attempting to finalise the agreement(s) in the very limited time available prior to the release of the RFP.

In this regard, please be assured the RFP documentation will contain a number of references to the strong desire of Main Roads to involve the Mid West Regional Council in the ISA. The RFP will also capture the involvement of Local Government to date, describe the potential benefits should an arrangement be established as well as require Proponents to indicate their willingness and approach to involve Local Government in the ISA.

Although it is not possible under the Trade Practices Act to mandate MWRC involvement, I am confident that the benefits from such an arrangement will be recognised by Proponents and reflected in the proposals by a willingness and strong desire to reach a mutually acceptable arrangement. This should then enable negotiations to be undertaken with the preferred proponent.

If your member Local Governments are prepared to continue with the development of this arrangement, Main Roads will assign a senior officer to provide assistance and support for this activity.

Could you please advise me of the views of your member Local Governments on this matter in due course.

Yours sincerely

Des Snook
ACTING COMMISSIONER OF MAIN ROADS

26 NOV 2009
Executive Summary:
The MWRC has requested that member Councils discuss the possibility of winding up the MWRC.

Applicants Submission:
Cr Nino Messina has requested an agenda item be presented to discuss the possible winding up of the MWRC by agreement of the participants effective June 30, 2010.

This move is being brought on by the recent notice of withdrawal of Mullewa, Mingenew and Three Springs effective 30 June 2011 (appendix i and ii attached to agenda item), the pending amalgamations and the earlier notices of withdrawal from Coorow and Carnamah which are effective 30 June 2010.

The delegates for both Perenjori and Morawa argued against the proposed wind up.

Background:
Five of the seven members of the MWRC have now given notice of their intention to withdraw. Under the terms of the Establishment Agreement Coorow and Carnamah will cease to be members on 30 June 2010, and Mullewa, Mingenew and Three Springs will cease to be members on 30 June 2011.

Statutory Environment:
Section 3.63 of the Local Government Act 1995 provides for the dissolution or partial dissolution of a regional local government: -

1. A regional local government is to be wound up —
   (a) at the direction of the Minister; or
   (b) in accordance with the establishment agreement.

2. A participant may, in accordance with the establishment agreement, withdraw from the regional local government and cease to be a participant.

Clause 12.1 of the Establishment Agreement of the Mid West Regional Council provides for the winding up of the MWRC by “agreement of the participants”. In order to be quite clear on the intention and meaning of this clause in the agreement, John
Woodhouse (Legal Consultant and author of the MWRC Establishment Agreement) was consulted for an interpretation. An extract from John’s reply follows:

As you have noted, clause 12 of the establishment agreement is to the effect that the regional local government may be wound up “by agreement”.

In my view, this means that the agreement is required by the participants. There is no “agreement” unless all of the participants are in agreement. Put another way, there would need to be a resolution from each of the councils of the 7 participants.

This means that, notwithstanding the decision by 5 of the seven members to withdraw, the MWRC may only be wound up if ALL member Councils agree. The MWRC itself is not a party to the Establishment Agreement.

Policy Implications: Nil

Financial Implications:
Perenjori’s contribution to the operation of the MWRC for 09/10 is $25,000. With fewer members in 2010/11 this may increase.

Strategic Implications:
If for any reason the structural reform proposals do not proceed, and we wind up the MWRC much of our cooperative effort over the last 15 years will have been wasted.

Consultation:
The proposal to wind up the MWRC was put by Cr Messina from Mullewa.

Comment:
The MWRC was formed by the 7 shires of the North Midlands after 14 years of cooperation as a VROC. The Regional Council has had mixed success but has been responsible for attracting Broadband services to this region, obtaining funding for climate change, engineering services and information and communications technology studies. More recently it has been the vehicle for training funding through WELL and enterprise based training places.

Notwithstanding the decisions by member Councils to amalgamate with neighbouring Councils these amalgamations will not take place until 30 June 2011 and the poll provisions mean that they are not guaranteed to proceed.

Further the State Government has made it clear that it expects even amalgamated Councils to be involved in regional cooperation, including regional groupings for the purposes of the regional component of the Country Local Government Fund. In the absence of the MWRC the remaining regional grouping is the Country Northern Zone of WALGA which would see us competing for funds with Dongara, Geraldton and Kalbarri. It would be very difficult to get hinterland projects funded in such a grouping.

Finally the MWRC is the vehicle through which we have been able to negotiate involvement in the Main Roads ISA. To wind up the MWRC at this time we would just look silly.

Voting Requirements:
Simple majority

Officers Recommendation:
Shire of Perenjori
Ordinary Meeting
MINUTES 18 February 2010

That Council advise the MWRC and other member Councils that it will not support the winding up of the MWRC at this time.

Council Resolution:

Moved: Cr John Cunningham             Seconded: Cr John Bensdorp

That Council advise the MWRC and other member Councils that it will not support the winding up of the MWRC at this time.

Carried: 9/0
Executive Summary:
The Pastoralists and Graziers Association is seeking Council’s support for the development of a new East West Vermin Proof Fence,

Applicants Submission:
A proposal was presented to the last meeting of the Meekatharra Rangeland Biosecurity Association calling for a new barrier fence to be constructed within the rail corridor for Oakajee Port and Rail. This corridor runs between Oakajee and Weld Range, and with only and additional 100 km of fencing could link up with the Murchison Vermin Fence.

Background:
Wild Dogs are the main species targeted by new vermin fences. Uncontrolled dogs in the rangelands have the potential to impact on adjacent agricultural areas such as Perenjori.

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:
Biosecurity is a significant issue for Agriculture which remains the most important local industry.

Consultation: Nil

Comment:
The CEO advised the PGA by email that the proposal had merit and would be considered by Council at this meeting.

Voting Requirements:
Simple majority

**Officers Recommendation:**
That the CEO write to the PGA advising that the proposal has merit and has the support of Council.

**Council Resolution:**
Moved: Cr John Cunningham  
Seconded: Cr Rodney Desmond
That the CEO write to the PGA advising that the proposal has merit and has the support of Council.

Carried: 9/0
Dear Stan

The Pastoralists and Graziers Association (PGA) would like to inform you and your Councilors that at a recent meeting of the Mookatharra Rangeland Biosecurity Association (MRBA) a suggestion was put forward as to a possible way to stop the southward movement of wild dogs into the agricultural areas of Western Australia.

The proposal involves Oakajoe Port and Rail (OPR) building a biosecurity barrier fence along one side of the rail line, from the point where the State Barrier Fence intersects the rail line, in a north easterly direction to the Wold Range site. The distance is approximately 200 kilometres. The proposed line can be seen in the figure below.

This fence would be constructed to a dog proof standard similar to that proposed for the State Barrier Fence, being of dog proof netting with barbwire on top and foot netting on the bottom (see next page).
If OPR provides this barrier it would only leave a 100-kilometre gap going east from the Wold Range to join up to the existing Murchison Regional Vermin Council (MRVC) fence. The MRBA believes that with the help of the state government and grant funding we will be able to close this gap.

The MRVC fence is approximately 700 kilometres long and runs almost north south from the State Barrier Fence to a point northeast of Meekatharra. It is funded 50/50 from the MRBA and rates raised from the pastoralists through the Shires of Meekatharra, Murchison, Mt Magnet, Cue and Sandstone. This fence is maintained as a barrier to stop the westward movement of the wild dogs from the Goldfields into our region. This fence is the eastern boundary of the MRBA’s area.

The movement of the wild dogs into the southern rangelands area has all but devastated the pastoral industry in this area. There would be very few properties making a profit purely from running stock, be it sheep, goats, or cattle. If the southward movement of the wild dogs is not stopped then the future of the agricultural industry in your Shire and in all of the northern agricultural zone is in dire jeopardy. The impact of the dogs is starting to be felt already in this area where stock losses are becoming a major issue.

By building this fence, OPR would be providing a much-needed piece of infrastructure in the fight to turn around the prospects of the pastoral industry in this region. Although the pastoral industry would be the main beneficiary, the benefits would be wide spread throughout the region. The entire shires of Cue, Mt Magnet and Yalgoo (who have each given initial support to the proposal) and part of the shires of Meekatharra, Murchison and Mullewa, not to mention the numerous agricultural Shires to the south will benefit from the protection of this fence.

Biodiversity will also be a beneficiary, as the dogs not only prey on the domestic stock but our native animals as well. Wild dogs consume not only parts of emus and kangaroos but also several small marsupials (brush tailed betons) and numerous native lizards. This biosecurity barrier fence will also reduce the spread of disease amongst our larger native animals.
We also see this as an opportunity for OPR to create further partnerships with indigenous groups, possibly training and employing these people to assist in the construction of the fence. Members of MRBA, who are experienced in fencing maintenance and construction, would be prepared to assist with the training and support of these indigenous people. There may also be grant funding available for such schemes.

At this point in time the MRBA have been seeking in principle support for this proposal, from all the local governments which may benefit, the Department of Agriculture and Food WA, the Minister for Agriculture, the Parliamentary members for the Mining and Pastoral regions (both Federal and State), the pastoralists on the alignment of the fence whose properties may be divided and indigenous groups. To date we have had nothing but enthusiasm and support with all parties responding in a most positive manner. I only hope, for the future of the pastoral industry in this region, that Oakajee Port And Rail are also positive to this project.

I therefore ask that your Councillors consider the many benefits of such a proposal to the farmers within your Shire. I seek your in-principle support for this proposal and would ask that you provide this by January 20 2010 as we face a deadline for seed funding.

I look forward to your comments on this exciting proposal. In the meantime please don't hesitate to contact Edgar Richardson on (08) 9479 4599 for more information.

Yours sincerely,

Rob Gillam
PRESIDENT
Pastoralists and Graziers Association
10026.12  VACANT CROWN LAND TO THE WEST OF PERENJORI TOWNSITE

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<thead>
<tr>
<th>APPLICANT:</th>
<th>SHIRE OF PERENJORI</th>
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<tr>
<td>FILE:</td>
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<tr>
<td>DISCLOSURE OF INTEREST:</td>
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</tr>
<tr>
<td>AUTHOR:</td>
<td>STAN SCOTT – CEO</td>
</tr>
<tr>
<td>RESPONSIBLE OFFICER</td>
<td>STAN SCOTT – CEO</td>
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<tr>
<td>REPORT DATE:</td>
<td>11 FEBRUARY 2009</td>
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<tr>
<td>ATTACHMENTS</td>
<td>Correspondence from Dept of Regional Development and Land</td>
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Executive Summary:
The Department of Regional Development and Land is seeking further advice on the disposition of unallocated crown land.

Applicants Submission:
The Department has responded to Councils request and sought further advice on the disposition of vacant crown land. Specifically:

1. Lot 178 and two other parcels of land (Marked A & B on the Map) abut reserve 18555 which is a water supply reserve and the Department has suggested that these parcels could be incorporated in this reserve; and

2. Another parcel of land, marked C on map is adjacent to the school reserve, but otherwise is isolated from other public land and has no legal access.
Background:
At its November Ordinary meeting Council resolved to seek for the various parcels of UCL to the West of the town site to be vested in the Shire of Perenjori as reserves for public purposes.

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:
Council is responsible for managing lands under its control.

Strategic Implications:  
Nil

Consultation:
Nil

Comment:
The parcels identified as A and B would be suitable for incorporation into the water reserve.
Lot 178 has been targeted as the site for a bush walk trail and another use and separate vesting order would be appropriate. If the initially proposed ‘public purpose’ is too broad, ‘conservation and recreation’ would be an alternative.
Finally parcel C has no legal access. Council has agreed that it could be vested for public purposes, but Council should not be concerned if this does not occur. The Department could offer the land to the Department of Education and Training to extend the school reserve. There is no immediate and compelling reason to do
anything with this parcel of land and if it were to remain as VCL that would also be acceptable. It may be that it could be incorporated into the adjacent CBH site if that is ever developed for other purposes.

**Voting Requirements:**

Simple Majority

**Officers Recommendation:**

That Council advise the Department as follows:

1. That the parcels identified as A and B may be incorporated into Water Reserve 1855 vested in the Shire of Perenjori;
2. That Lot 178 be vested separately as a Reserve for the purposes on conservation and recreation; and
3. That the Shire would support parcel C remaining as VCL or being incorporated into the adjacent school reserve.

**Council Resolution:**

**Moved: Cr Jenny Hirsch**           **Seconded: Cr Cathy Johnston**

That Council advise the Department as follows:

1. That the parcels identified as A and B may be incorporated into Water Reserve 1855 vested in the Shire of Perenjori;
2. That Lot 178 be vested separately as a Reserve for the purposes on conservation and recreation; and

**Carried: 9/0**

**Moved: Cr John Bensdorp**           **Seconded: Cr Rodney Desmond**

3. That the Shire would support parcel C as a separate water reserve.

**Carried: 9/0**

2.50pm Council adjourned until 3.00pm

3.50pm Address by the Minister of Local Government regarding Local Reform

4.30pm Meeting resumed
Executive Summary:
At its December Meeting council scheduled an extraordinary election for 12 March 2010. At close of nominations for the extraordinary election nomination had been received. Cathy Johnston was declared elected unopposed.

Applicants Submission:
At its December Meeting council scheduled an extraordinary election for 12 March 2010. At close of nominations for the extraordinary election nomination had been received. Cathy Johnston was declared elected unopposed.

Background:
Nil

Statutory Environment:

Policy Implications: Nil
Financial Implications: Nil
Strategic Implications: Nil
Consultation: Nil

Comment:
Voting Requirements:
Simple Majority

Officers Recommendation:
That Council notes the outcome of the Extraordinary Election
10026.14 2010 YEAR OF WOMEN IN LOCAL GOVERNMENT - SPONSORSHIP

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

RESPONSIBLE OFFICER STAN SCOTT – CEO

REPORT DATE: 5 FEBRUARY 2010
ATTACHMENTS Letter from Ray Pincombe – Year of Women in Local Government
Letter from Stephen Cole - LGMA

Executive Summary:
Local Government Managers Australia has approached the Shire with two opportunities for providing financial support for the 2010 Year of Women in Local Government celebrations.

Applicants Submission:

LGMA National
Local Governments may offer a Partnership Pledge in support of a strategy which is part funded by the Federal Government. It will fund a marketing and promotion campaign aimed at encouraging more women to participate in Local Government, and gain commitment from Local Governments to support and encourage that commitment.

The levels of participation are:
- Gold Pledge $2,000
- Silver Pledge $1,000
- Bronze Pledge $ 500

LGMA Western Australia
Local Governments may help sponsor the Women in Local Government Conference. Packages are:
- Major Sponsor - $1500
- Support Sponsor - $800

Background:
2010 has been designated as the Year of Women in Local Government.

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:
Funding could be allocated against donations expense 14911.

Strategic Implications: Nil

Consultation: Nil

Comment:
The CEO has worked in Local Government for the last 8 years. My initial impression of the sector was that there was an element of the boys club about both management and governance. In most cases Councils are dominated by men - in Perenjori’s case men outnumber women 2 to 1. The vast majority of CEO’s are men. The vast majority of administrative staff are women. The vast majority of outside staff are men.

In short, there is a predominance of people working in traditionally male or female roles. That said 5 out of 7 Shire Presidents in the North Midlands are women.

Support for strategies to challenge the cultural norms within the industry are probably worthwhile. Whether Council decides it is a priority is a matter for Council.

Voting Requirements:
Simple Majority

Officers Recommendation:
The Council move to provide financial support to the 2010 Year of Women in Local Government Celebration.

Council Resolution:
Moved: Cr Robyn Benton Seconded: Cr Jenny Hirsch
The Council move not to provide financial support to the 2010 Year of Women in Local Government Celebration.

Carried: 8/1
Dear Local Government Colleagues,

The National Steering Committee for the Year of Women in Local Government 2010, with the assistance of LGMA National has been working very hard to plan the Year of Women in Local Government.

Initial marketing has been completed, 21 ambassadors appointed and working around the nation, and a website developed and hosted at www.igwomen2010.org.au. Here you'll find a calendar of events and programs operating right across Australia, as well as a range of interesting resources and documents. I invite you and your staff to consider contributing to forums and blogs online as they are developed over the next few months.

I now invite you to help ensure the year of Women in Local Government is a huge success as well as make a small investment in your future workforce. Attached is an invitation to come on board as an official partner of the Year of Women in Local Government 2010 by pledging a small contribution to help us meet costs. There are three levels of contribution to choose from, to allow everyone to be able to participate regardless of their size or resource levels.

Your contribution will assist with the overarching national program, marketing materials and overall promotion. Your state LGA and LGMA may also be staging a range of events and activities to celebrate the Year of Women and I encourage you to support and participate in these activities as well.

I trust that you will see this exciting program as a worthwhile investment in the future workforce of Local Government. In the meantime please don't hesitate to contact LGMA National on 03 9682 9222 should you need any further information or clarification.

Kind Regards

Ray Pincombe
CHAIR
National Steering Committee for the Year of Women in Local Government 2010
The success of the Year of Women in Local Government 2010 will depend on the participation, creativity and enthusiasm of the local government sector, our colleagues and partners. This is your opportunity to contribute to the year and to join with us in building a range of activities and events that will celebrate women’s achievements and facilitate their increased participation in local government.

There are three partner categories based on your capacity to financially support the Year of Women in Local Government 2010.

**Gold Pledge**

An investment of $2000 will see your organization designated as a gold Partner. You will be listed in the gold partners section of the Year of Women in Local Government website [www.lgwomen2010.org.au](http://www.lgwomen2010.org.au) and will be provided with the logo and words for you to add to your email signature.

**Silver Pledge**

An investment of $1000 will see your organization designated as a silver Partner. You will be listed in the silver partners section of the Year of Women in Local Government website [www.lgwomen2010.org.au](http://www.lgwomen2010.org.au) and will be provided with the logo and words for you to add to your email signature.

**Bronze Pledge**

An investment of $500 will see your organization designated as a bronze Partner. You will be listed in the bronze partners section of the Year of Women in Local Government website [www.lgwomen2010.org.au](http://www.lgwomen2010.org.au) and will be provided with the logo and words for you to add to your email signature.

For more information on the Year of Women in Local Government contact LGMA on (03) 9682 9222 or visit [www.lgwomen2010.org.au](http://www.lgwomen2010.org.au)

*Town of Kwinana*

Proudly supporting Women in Local Government
Dear Stan

Sponsorship request for 2010 Year of Women in Local Government Conference

LGMA is pleased to announce that the major event for the 2010 Year of Women in Local Government, the LGMA Women in Local Government Conference 3 – 4 June 2010.

The 2009 Conference was a great success and as we celebrate Women in Local Government in 2010 we hope to build on this success, increase delegate numbers and develop a program that is both topical and engaging. The conference has been specifically tailored for the professional development of women aspiring to be leaders in Local Government.

As with all conferences it will also provide an excellent opportunity for delegates to develop relationships and networks with colleagues in the industry.

Unfortunately, the event is one that does not attract support from commercial sponsors and that is why we are approaching Local Governments for specific support because it is essential that we increase the number of professional women involved in the Local Government industry. Sponsorship means we can reduce the registration impost on delegates and therefore increase the attendance numbers for the benefit of all.

I am writing to you today to ask you to consider your Local Government making a financial contribution to the event and in turn a contribution to the 2010 Year of Women in Local Government. We have set figures of $1100 for a major sponsor and $550 for a support sponsor. Please see the enclosed Sponsorship Opportunities flyer for further information.

This conference will be a very valuable event for the attending delegates and the Local Government industry and I thank you for considering the proposal.

If you need any further information about the Conference, please contact Luana Abbott on 9218 8141 or email luana@lgawa.org.au

Yours sincerely

Stephen Cole
CHIEF EXECUTIVE OFFICER
10027 OTHER BUSINESS

10027.1 INFORMATION BULLETIN – TABLED IN THE COUNCIL CHAMBERS

- LETTER RE: AUSTWIDE MINING TITLE MANAGEMENT – Application by extension Hill Pty Ltd for General Purpose Lease 59/41 – 12 November 2009
- LETTER RE: GOVERNMENT OF WESTERN AUSTRALIA DEPARTMENT OF PLANNING DEVELOPMENT, ASSESSMENT PANELS – Submissions 26 November 2009
- LETTER RE: CITY OF JOONDALUP, INDEPENDENT PUBLIC SCHOOLS – 30 November 2009
- LETTER RE: SINOSTEEL MIDWEST CORPORATION LTD, KOOLANOOKA/BLUE HILLS DIRECT SHIPPING ORE PROJECT – 08 December 2009
- LOCAL GOVERNMENT NEWS – Issue No. 03.10, 25 January 2010
- LOCAL GOVERNMENT NEWS – Issue No. 04.10, 1 February 2010
- INFO PAGE: INQUIRY INTO DEEP SEWERAGE IN THE COCKBURN AREA – 14 January 2010
- INFOPAGE: REVIEW OF INTRASTATE AIR SERVICES IN WA - 19 January 2010
- INFOPAGE: WA GRAIN AND FREIGHT NETWORK REVIEW – 19 January 2010
- MINUTES: MID WEST STRATEGIC INFRASTRUCTURE GROUP MEETING – 24 November 2009
- ABOUT THE HOUSE – Issue # 39 December 2009
- PARTYLINE – # 37 December 2009
- STATS TALK WA – Edition #32 December Quarter 2009
- LOCAL GOVERNMENT MANAGERS AUST STATEWIDE – Issue # 143 Summer 2009
- THE OVERFLOW: IRRIGATION AUSTRALIA - # 21 Summer 09/10
- SENATE SNAPSHOT: JUDITH ADAMS – Summer 2009
- LIEBE GROUP NEWSLETTER – Volume 12, Issue 8
- WALGA PLANNING AND COMMUNITY DEVELOPMENT NEWSLETTER - Edition 9, 18 December 2009
- MWAC INFORMATION BULLETIN – Issue 132 December 09
LANDMARK PROPERTY MAGAZINE – Issue 30 Dec 09 Jan 10

WALGA: CURRENT VACANCIES ON BOARDS AND COMMITTEES – Dec 09 -Jan 10

SAFE SYSTEM NEWS – Issue 3, January 2010

PLANNING AND COMMUNITY DEVELOPMENT NEWSLETTER – Edition 10, 15 January 2010

WESTERN AUSTRALIA CLOSED CIRCUIT TELEVISION (CCTV) GUIDELINES

TRAINING AND DEVELOPMENT 2010 – Quarterly Calendar

RURAL HEALTH WEST BOARD COMMUNIQUÈ – December 2009

MEDIA RELEASE: SOLAR POWER ALL THOUGH THE NIGHT – 1 Feb 2010

ALZHEIMER’S AUSTRALIA: FREE LEARNING AND SUPPORT OPPORTUNITIES IN 2010

ALGA NEWS – 5 February 2010

MINING CHRONICLE – Volume 14, Number 12 January 2010

10027.2 MOTIONS OF WHICH DUE NOTICE HAVE BEEN GIVEN

10027.3 QUESTIONS BY MEMBERS OF WHICH DUE NOTICE HAS BEEN GIVEN

10027.4 URGENT BUSINESS APPROVED BY THE PERSON PRESIDING OR BY DECISION

10027.4.1 LATE ITEM - PLANNING CONSENT – FARM REVEGETATION

APPLICANT: AUSCARBON

FILE: 0

DISCLOSURE OF INTEREST: 0

AUTHOR: STAN SCOTT – CEO

RESPONSIBLE OFFICER: STAN SCOTT – CEO

REPORT DATE: 15 FEBRUARY 2010

ATTACHMENTS: Application for Planning Consent
Executive Summary:
Auscarbon has acquired a farming property in the Shire of Perenjori which intends to return to its natural state through revegetation with local species.

Applicants Submission:
Auscarbon wrote to us as follows:

We wish to advise that we are intending to revegetate properties in the more marginal (Eastern) areas of the Perenjori Shire. We will be using 20-30 local species of Eucalypts, Meleleuca, Acacia and Casuarina in what will replicate the original landscape in the area. All seed to be used has been collected locally and there will be significant co-benefits to our neighbours with a reduction of the water table and increase in biodiversity habitat.

Please confirm that this is acceptable to the Shire of Perenjori

Background:
Council has previously given permission for Emmott Environmental to collect seed on behalf of Auscarbon.

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.

Shire of Perenjori Town Planning Scheme Number 1,
Section 5.6 Rural / Pastoral Development States as follows:
In considering applications for planning consent, subdivision or rezoning within the Rural or Pastoral Zones, the Council shall have regard to:

a) The need to ensure that the continuation of rural and use is protected, encouraging where appropriate, the retention and expanding of agricultural activities and supporting proposals which promote the retention of predominant lot sizes in the locality

b) The need to preserve the rural character and rural appearance of the land within these zones;

c) The need to protect, preserve and enhance any natural undeveloped land areas throughout the Zones by requiring as conditions on any planning consent issued, the planting of vegetation which will assist in the balancing of the greenhouse effect, provision for shade, prevention of erosion, reduction in salinity, of the provision of habitats for fauna.

d) The Department of Planning and Urban Development’s policy DC3.4 “Rural Land Use Planning Policy” (This policy has been replaced by WAPC “Statement of Planning Policy No. 11 Agricultural and Rural Land Use Planning”)

An extract from that policy which summarises the main issues is reproduced below.
Policy Implications: Nil
Financial Implications: Nil
Strategic Implications:
There are environmental benefits from the proposal.
Consultation: Nil
Comment:
Auscarbon is specifically targeting marginal agricultural land on the eastern fringe of the agricultural area. The proposal will have environmental benefits for that property, neighbouring properties and the catchment. The remnant vegetation in the
agricultural areas of the Shire of Perenjori has already been identified by DEC as a significant issue. The Auscarbon proposal is a first step in redressing this issue.

Shires in the South of Western Australia have had issues with farm forestry which has expanded exponentially on prime agricultural land displacing other agricultural pursuits and impacting on local population and services. As the first such venture in Perenjori these issues are less pressing. Further Auscarbon is developing a biodiverse ecosystem rather than a monoculture in tree plantations.

Council has recognised in the development of draft planning policies for the new Town Planning Scheme that there will be a need to balance reafforestation projects with traditional agricultural pursuits. We are however a long way from a situation where traditional usage is under serious threat. We also have the advantage of the emerging iron ore industry adding to economic activity.

Finally Auscarbon intends to continue to crop those parts of the property best suited to agriculture (around 10% of the property).

**Voting Requirements:**

Simple Majority

**Officers Recommendation:**

That Council provide consent for the change of use from broad acre agriculture to revegetation.

**Council Resolution:**

Moved: Cr Cathy Johnstone

Seconded: Cr John Bensdorp

That item be deferred until a policy is developed

Carried: 9/0
SCHEDULE NO. 5
TOWN PLANNING AND DEVELOPMENT ACT 1928, (AS AMENDED)
SHIRE OF PERENJORI
TOWN PLANNING SCHEME NO. 1

Application for Planning Consent

1. Surname of Applicant: AUSCARBON Pty Ltd
Given Names: .................................................................
Full Address: 61 Carrington St
Nedlands WA 6009

2. Surname of (if different from above)
Land Owner: ...........................................................................
Given Names: ...........................................................................

3. Submitted by: AUSCARBON Pty Ltd

4. Address for correspondence: 
P.O. Box 395
Nedlands WA 6909

5. Locality of development: EAST PERENJORI

6. Title details of land: LOT 10830 & 10831 (4) LOT 7715
CHARLES ROAD) (SULLIVAN ROAD)

7. Name of road Serving property: ...........................................................................

8. State type of development: REVEGETATION OF PROPERTY WITH BIO DIVERSE
SPECIES

9. Nature and size of all buildings proposed: N/A

Materials to be used on external surfaces of buildings: N/A

General treatment of open portions of the site: AS ABOVE IN (8)

Details of car parking and landscaping proposals: N/A

Approximate cost of proposed development: ...........................................

Estimated time for construction: ...........................................


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

SIGNATURE OF OWNER....................................................

SIGNATURE OF APPLICANT OR AGENT

DATE.......................... DATE..........................

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.
10027.4.2 RESTRICTED ACCESS VEHICLES – ACCESS TO KARARA PROJECT

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

RESPONSIBLE OFFICER STAN SCOTT – CEO

REPORT DATE: 16 February 2010
ATTACHMENTS Nil

Executive Summary:
The Restricted Access Vehicle Network need to be extended to improve access to the Karara Iron Ore Project.

Applicants Submission:
The preferred access route to the main Karara Camp and Mine site from Perth is via Perenjori Rothsay Road, Warriedar Coppermine Road and Karara Road. Of these roads only Perenjori Rothsay Road has been approved for Restricted access vehicles.

Background:
Perenjori Rothsay Road is approved for vehicles up to 36.5 metres
Council has significantly improved parts of Warriedar Coppermine Road and Karara Road over the last 2 years.

Statutory Environment:
Restricted Access Vehicle Routes are decided by Main Roads based on recommendations from Local Government s

Policy Implications: Nil

Financial Implications:
Larger vehicles may increase wear and tear, but Karara has indicated an interest in supporting work on access roads.

Strategic Implications: Nil

Consultation:
The CEO and Crs King and Butler discussed access routes with Karara on 8 Feb 10.

Comment:
The proposed route is that promoted by Council.

Voting Requirements:
Simple Majority
Officers Recommendation:
That Main Roads WA be requested to include the following roads on Restricted Access Vehicle Permits for all configurations up to Network 7:

- Warriedar Coppermine Road  SLK  0.00 to 6.80
- Karara Road             SLK  0.00 to 20.00

Council Resolution:
Moved: Cr Robyn Benton   Seconded: Cr John Cunningham
That Main Roads WA be requested to include the following roads on Restricted Access Vehicle Permits for all configurations up to Network 7:

- Warriedar Coppermine Road  SLK  0.00 to 6.80
- Karara Road             SLK  0.00 to 20.00

Carried: 9/0
Executive Summary:
The Grain Freight Network Review is complete and the consultant is preparing business cases for upgrade of those roads identified in the review.

Applicants Submission:
The Grain Freight Network Review has some significant recommendations for this area including:

- That the rail line between Maya and Perenjori only delivers 70,000 tonnes per annum, is uneconomic and should be closed.

- The Perenjori to Morawa, and Morawa to Mullewa sections of the Wubin to Mullewa Road have been assessed as Category B – Significant Grain Routes already in degraded or unsuitable condition. The report recommends capital investment of $46M on these road links.

- The report identifies routes that will experience increased significant usage due to shirt interbin movements. While this list is not intended to be comprehensive, only 3 local roads were listed throughout the state. Two of these are Perenjori Carnamah and Bunjil Carnamah with a recommended capital expenditure of $2.9M and 3.3M respectively.

- Capital expenditure of approximately $2M per site is recommended for Perenjori, Morawa and Mullewa.

Background:
The report was commissioned by the Freight and Logistics Council on behalf of the Strategic Grain Network Committee.

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 report recommends significant capital expenditure on roads that service Perenjori.

**Strategic Implications:**
There has long been recognition that it is difficult to justify a first class road network alongside a first class rail network. The report seeks to strike a balance between the two.

**Consultation:**
Cr King from Perenjori and Cr Chappell from Morawa are represented on the committee. The Mid West was a late inclusion in the review.

**Comment:**
While the proposed closure of the rail line south of Perenjori is disappointing, it makes sense in the context of the review. The majority of grain from Maya, Latham and Bunjil is already being cleared by road by CBH. Further “concerns over the future availability of flexible train pathing on the Perenjori line due to iron ore traffic levels” mean this is unlikely to change in the future.

The recommended investment in upgrades to arterial roads in this region is long overdue. This includes:

- Perenjori to Morawa $16.0 Million
- Morawa to Mullewa $31.0 Million
- Bunjil to Carnamah $3.3 Million
- Perenjori to Carnamah $2.9 Million
- Morawa to Mingenew $10.8 Million
- Carnamah to Mingenew $8.0 Million

Apart from the clear benefits for the grain logistics task, these investments if they are forthcoming will improve the transport links between Perenjori and Geraldton and Perenjori and Perth which will have safety benefits and other potential economic benefits.

**Voting Requirements:**
Simple Majority

**Officers Recommendation:**
1. That Council supports the outcome of the Strategic Grain Network Review;
2. That Council authorise the CEO to work with Main Roads WA to assist it to prepare the business case for the investments set out in the review;
3. That the CEO prepare a proposal for the Regional Roads Group that the Bunjil Carnamah Road to be upgraded from a Category 2 to Category 1 Road of Regional Significance
4. That Council lobby the State and Federal Governments for allocation of funds towards the investments identified in the report.

**Item to be deferred to March Agenda**
Development of Business Cases for Government to consider further funding of the grain freight network.

The Department of Transport has commissioned Neil Matthews from Sdt+D, who wrote the Strategic Grain Network Review Report, to develop two business cases, one for the State and one for the Commonwealth. The Business Cases will provide scenarios for Government consideration of the wider investment requirements of the grain freight network and will allow Government more detailed consideration to additional funding of the Report’s findings. The Business Cases will be completed within four weeks.

Only roads identified within the Report will be included in the Business Cases. The approach to gathering further information on roads within the Report for the Business Cases is:

- Main Roads will develop a template to gather information for the road funding component – this will ensure a consistent approach to the data across the regions for State and local roads;
- The Main Roads Regional Managers will populate the template in the first instance with information on State and local roads in their region – then they will liaise with local Governments so Councils can comment on Information on the local road standards and costs; and
- Sdt+D will undertake the cost benefit analysis based on the information provided.

This is a considerable amount of work for the Regional Managers to undertake within a short time frame. They will be looking for feedback from Councils whose roads are identified in the Report to meet the Business Case deadline. Any questions on this process can be directed to the appropriate Main Roads Regional Manager.

Background – Strategic Grain Network Review Report.

The Strategic Grain Network Review Report presents findings on current and emerging transport infrastructure issues in the export grain supply chain. A colour copy of the Report is available on the Department of Transport website:


For Further information please contact

Michelle Mackenzie, Executive Manager Infrastructure, 9213 2031 or mmackenzie@walga.asn.au.

The Voice of Local Government
Key findings of Interest to Local Government from the Report:

- Some rail lines are not competitive and should be closed;
- A staged programme of targeted road investment will be necessary, until the roads improved rail in some areas should not close;
- There is a need for short term operating support to ensure rail service are competitive with road while road upgrades are being undertaken;
- New road funding arrangements, quarantined from present road funding schemes, should be established;
- There is a need for Local Government, Main Roads and CBH to work to reduce and manage more effectively a network of transport corridors for inter-binn and bin to port movements; and
- There is a need for revision of heavy vehicle mass limits policy to minimise road damage and ensure strategic routes are used.

The Report qualifies that it did not cover the use of roads from farm gate to silo and that only preliminary estimates of costs have been presented, emphasizing the scope of upgrading has not been examined in detail. These qualifications provide the opportunity for additional work to be done, whilst finding a number of routes for investment.

The road projects outlined for investment are divided into 3 categories;
A – New volumes as a direct consequence of rail closure;
B – Significant grain routes already in degraded or unsuitable conditions for existing traffic; and
C – Sample of routes which will experience increased significant usage due to short inter-bin movements.

In relation to roads the Report presents the following findings:
- Twenty five road project costs: capital costs of $319M; additional annual maintenance $1M;
- Thirteen of these road projects are Local Government roads; and
- The capital costs for Local Government roads are around $50.9M, with an annual maintenance cost of around $490K.

The report finds acknowledges the impact on freight on country towns that do not have bypasses. Also that excessive costs are being borne by Local Governments to maintain a large number of roads for grain trucks under heavy permit.

Immediate State Government Response to the Report.

The Transport Minister announced the following response to the Report:
- Funding of 50 per cent share of $43.5M required to complete the re-sleepering of the Avon to Albany railway line: discussions sought with the Commonwealth to fund 50 per cent;
- $500K to start project development and pre-construction activities on the proposed Chester Pass Road upgrade; and
- $6.9M Transition Assistance Package for the current harvest to keep grain running on current uneconomic lines for a period of time until infrastructure investment in roads and upgraded grain receiving points on the rail network takes place.


The Local Government Grain Infrastructure Group met recently to consider the Report and the Government’s response. The Group acknowledged the work in preparing the Report and its findings. Concern was expressed at the State Government’s response to the Report, which was seen at best inadequate, and will be advocating for new funding to cover the cost of upgrading and maintaining roads impacted by rail closures and changed road usage patterns. The Group has met with CBH and Main Roads WA to discuss progression of preferred pathways for road transport of grain. Information will be provided to Local Governments as this project progresses.

For Further Information please contact
Michelle Mackenzie, Executive Manager Infrastructure, 9213 2031 or mmackenzie@walga.asn.au.

The Voice of Local Government
EXECUTIVE SUMMARY

SNAPSHOT

1. The grain sector produces an average 11 million tonnes per annum, with 90% of production destined for export markets. Rail transports around 60% by volume and 80% by net-tonne-kilometres, but its share is falling, as road transport is being increasingly used in some areas.

2. Deregulation of export grain marketing arrangements has allowed CBH to manage the entire export supply chain on behalf of traders using its facilities. CBH uses road and rail services to move grain to port at lowest possible cost. New entrants into logistics markets will be similarly motivated. Network based pricing has been abolished in favour of bin-pricing which will accelerate change.

3. Resleepering needs to be done every 10-15 years on all lines. Much of the rail network serving the grain industry is due for re-sleepering over the next three years and the WA Government will need to fund the capital works, at a potential cost of $258 million for all current lines.

4. However, in some areas, notably the Kwinana South zone, rail services are unsustainable as they are uncompetitive with road transport, and under all plausible scenarios this will continue. Therefore the low quality track on which they operate does not warrant resleepering investment. This would save costs for resleepering of $94 million. The SGNR has found that cessation of rail services is likely to occur on several lines in this area (Quairading, Kulin, Kondinin, Corrigin and Yealering). This will also create a need for targeted investments for road upgrading to handle many new truck movement.

5. To keep the Kwinana South zone grain on rail via loading at Brockton and other key sites, some public investment will be needed at these CBH sites to improve rail efficiency (for longer sidings and fast train loading - estimated cost $15m).

6. Some short term operating support (estimated $16m over 7 years) will be needed to ensure rail services are commercially competitive with road. The most appropriate vehicle for this support is to enable reduction in WestNet Rail access charges. Without this support, there will be no incentive for exporters to choose
rail over trucking to Kwinana for up to 1 million tonnes per year. This operating support is offset by up to $4 million per annum savings in real externality costs.

7. Rail transport operations are commercially viable in the Albany and Kwinana North zones, but a $164m contribution will be needed for resleepering. In the Geraldton zone, grain freight shares network costs with other freight (e.g. iron ore), and no public contribution will be needed. No other line closures are recommended at this stage.

8. Rail can be viable going forward if Government meets resleepering costs, and its competitiveness will increase as diesel fuel and carbon costs increase in future.

9. Investment in road corridor upgrades worth up to $320m would complement the long term rail network including roads not fit for purpose for use by heavy grain haulage trucks, most notably the Chester Pass Rd into Albany. Some of these roads will be impacted by cessation of uncompetitive rail services on lines which will consequently be redundant and should be formally closed.

10. The heavy vehicle permit system should be fully reassessed so that large combination vehicles hauling grain from bin to bin and bin to port are permitted on a limited number of routes, concentrated in areas not served by rail. This will have an immediate effect in reducing road maintenance costs. CBH and WALGA should be engaged as active partners in this process.
SUMMARY OF FINDINGS

Finding 1: There is a strong economic rationale – and wide grower support – for maintaining a strong rail network, wherever the sum of long-term ‘whole-of-life’ costs for rail infrastructure and operations and ‘external’ costs are less than for alternative road transport.

Finding 2: The present grain rail network may be segregated into three parts: Tier 1 ‘core network’ lines, which are competitive with road transport and will be in future regardless of probable future cost increases (fuel and CPRS); Tier 2 ‘viable’ lines where rail services are competitive with current rail access prices and above-rail costs; and Tier 3 ‘unviable’ lines where volumes are low and rail is already uncompetitive with road transport. Most Tier 3 lines have light-weight non-welded and unballasted rail limited to carrying 16-tonne axle mass wagons at slow speeds.

Finding 3: There is a good business case for long-term retention of Tier 1 lines and for investment to renew key assets required for continued efficient operation, e.g. re-sleepering. The business case for investing in Tier 2 lines varies from case to case, and for some it will be more economic to upgrade nearby local road networks. There is no sound business case for upgrading Tier 3 lines, as transport of grain will be cheaper by road regardless of rail upgrading; these will soon cease to operate. The following table summarises warranted investment and investment avoided.

<table>
<thead>
<tr>
<th>Rail Tier</th>
<th>CAPEX to be FUNDED on Tier 1 and 2 lines ($M)</th>
<th>CAPEX AVOIDED by Tier 3 line closure ($M)</th>
<th>Distance (kms)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>121.2</td>
<td></td>
<td>979</td>
</tr>
<tr>
<td>2</td>
<td>43.3</td>
<td></td>
<td>420</td>
</tr>
<tr>
<td>3</td>
<td></td>
<td>93.5</td>
<td>736</td>
</tr>
<tr>
<td>TOTALS</td>
<td>164.5</td>
<td>93.5</td>
<td>2,135</td>
</tr>
</tbody>
</table>

Finding 4: Investment in rail infrastructure should aim to enhance economies of scale by increasing or preserving the size of trains (tonnes carried), increasing loading rates at sidings and outloading rates at ports, and reducing cycle times. Where these outcomes cannot be achieved at reasonable cost, there is no case for investment.

Finding 5: Deregulation of grain handling and marketing, has profoundly affected the economics and operation of the grain network. There is competition to transport grain from bins to ports. Due to this competition the traditional grain receiver, CBH, cannot offer a single network-wide price for grain transport, so there is a cost-based price for
every bin, exposing some to road transport competition. Increased grain price volatility and on-farm storage have created strong grain transport peaks when rail and port terminals are unable to provide all requested capacity.

**Finding 6:** Because grain marketers/transporters cannot cross-subsidise between high and low-cost rail bins, grain from high-cost/high-price bins will transfer to road transport. On affected Tier 3 rail lines unviable trains will cease to operate and grain will be transferred immediately to vulnerable local and State roads. This unintended consequence can be prevented by temporary support for rail to keep prices at pre-deregulation levels until new more efficient rail arrangements and/or strengthened road infrastructure are put in place.

**Finding 7:** Where rail lines become uncompetitive and cease to operate, grain will be carried by road, either to other more efficient low-cost bins, or directly to port. Some local and State roads will be used by greatly increased numbers of heavy vehicles carrying grain; many affected roads are not of a standard (width and pavement strength) to carry this traffic, and will warrant investment and incur increased maintenance costs. A staged program of targeted road investments will be necessary.

**Finding 8:** Governments' long-term commitment to the rail transport network serving the grain belt should focus on investment in a core network of Tier 1 rail lines, and selected Tier 2 rail lines where the cost of road upgrades and economic disbenefits resulting from rail closure would be greater than the savings available from withdrawing them from service.

**Finding 9:** There is a sound business case for long-term retention of the Tier 1 Northam-Albany line, and for governments and industry to share the cost of investment in resleepering, at a total cost of $43.6m.

**Finding 10:** There is a sound business case for long-term retention of the Tier 1 Wagin-Lake Grace line and the Tier 1 Lake Grace-Hyden and Newdegate branchlines and for investment in resleepering at a cost of $41.1m.

**Finding 11:** The Tier 3 Katanning to Nyabing and Gnowangerup lines are not competitive with road and will become even less competitive with time. As a consequence, rail services no longer operate on these lines and they should be formally closed.

**Finding 12:** Tier 3 lines in the Kwinana South zone are not competitive with road transport and during 2010 rail services will cease to operate on them regardless of actions taken by governments. The lines affected are: Merredin-Bullaring-Willimilling-Narrogin, Kulm-Yillimilling, Kondinin-Merredin, Trayning-Merredin and York-Quairading (total 599 km). There is no sound business case for investing in these
lines and they should be formally closed. These closures should be part of a broader staged ‘Brookton Strategy’ aimed at avoiding excessive transfer of grain from this zone onto vulnerable roads, including the Brookton Highway to Kwinana (see Finding 13).

**Finding 13:** There is a sound business case for the ‘Brookton Strategy’ which aims to maximize efficiency of rail loading at Brookton and Kellerberrin and thereby concentrate a high volume of grain from the Kwinana South zone onto the lines connecting these bins via Avon to Kwinana. The Brookton Strategy can be implemented by co-ordinated commitments from government and industry to invest in targeted road upgrades and in storage and siding upgrades at Brookton and Kellerberrin, to create economies of scale and lower rail haulage costs which will keep a large proportion of grain from this area on rail. While these upgrades are being undertaken, temporary support totalling approximately $18 million over 7 years will be needed from the State Government during a transition period targeted to reduce track access costs and thereby to equalise road and rail haulage prices.

**Finding 14:** There is a good business case for long-term retention of Tier 1 lines in the Kwinana North zone from Avon to Goomalling, Kalannie and Korda, and investment in resleepering over 4 years at a cost of $36.5m.

**Finding 15:** There is a good business case for long-term retention of the Tier 2 Beacon-Burakin line in the Kwinana North zone and investment in resleepering over 4 years at a cost of $11.0m.

**Finding 16:** There is a good business case for long-term retention of the Tier 2 Mukinbudin-Koorda line in the Kwinana North zone and investment in resleepering over 4 years at a cost of $11.5m.

**Finding 17:** There is a good business case for retention of the Tier 2 Miling and McLevie lines in the Kwinana North zone and investment in resleepering of McLevie-Goomalling be funded at a cost of $20.8m. A further review of the future of this line should occur in 2014 in conjunction with assessment of the success of the the Brookton Strategy.

**Finding 18:** The Tier 3 Perenjori-Maya line should be closed and no investment in resleepering should be undertaken on this line.

**Finding 19:** There is a good business case for investment to extend rail sidings (to improve rail loading efficiency) on Tier 1 lines in the Geraldton zone at Mullawa, Morowa and Perenjori to enhance train loading and efficient train pathing, at a cost estimated at approximately $6m.

**Finding 20:** The State Government could provide a stable policy climate to encourage private sector investment in grain supply chain assets and for local and State road
funding by committing to funding its share of recommended investments in the Tier 1 core rail network for at least the next 10 years.

Finding 21: A substantial program of road works will be required to cover the cost of upgrading and increased maintenance of roads likely to experience significant freight traffic increases caused by rail closures and from new patterns of road usage caused by post-deregulation grain logistics practice. This would be facilitated by creating new roads funding arrangements for this purpose quarantined from present road funding schemes. It is estimated that total costs will be approximately $320m for one-off investments and $1.1m per annum for increased maintenance.

Finding 22: Excessive costs are being incurred by local governments to maintain a very large number of roads on which grain trucks are currently allowed to operate under permits issued by Main Roads WA. Heavy vehicle permit policy should be revised by the government and Main Roads WA, with input from WALGA and CBH to substantially reduce the network of routes used for inter-bin and bin-to-port movements, to reduce on local road maintenance costs and 'externality' costs.

Finding 23: There is an opportunity for government agencies to work with CBH to reduce and manage more effectively the network of road transport corridors used by CBH-contracted heavy vehicles for inter-bin and bin-to-port movements. This would make considerable road maintenance cost savings via voluntary CBH initiatives.

Finding 24: In the long-term, congestion on the existing rail corridor via Avon (Northam) to Kwinana, which is heavily used by other bulk export and import freight as well as grain will require substantial expansion of rail capacity in this strategic corridor. The Commonwealth and State Governments should undertake a joint pre-feasibility study of a new rail corridor from Kwinana via Brookton to Merredin, to determine strategic, economic and operating benefits and to identify potential corridor alignments and related technical requirements. The cost of this study would be between $300,000 and $500,000.
Executive Summary:
Karara Mining has reiterated its offer to lease 4 houses from the Shire of Perenjori but is keen that the project proceed sooner rather than later.

Applicants Submission:
Council has been aware of the offer by Karara Mining for the lease of 4 houses for over a year. Council’s intention was to supply flat packed houses based on the UWA model for this purpose. Given the progress of the Karara project we can no longer afford to wait indefinitely for these houses.

Existing Budget
Council’s budget includes the following:
Flat Packed Housing project (Prototypes) $600,000
  1 X 2 Bed @ $250,000
  1 X 4 bed @ $350,000
Mining Housing project – Three Houses $1,065,000
This means that the total cost of 4 mining houses would be $1,415,000.

The intention was that the 4 mining houses would consist of the second UWA prototype plus 3 additional houses. The latest advice from UWA is that a new builder has been identified and they are confident that a fixed price contract will be available for the second house within a matter of a couple of weeks.

Funding
Council has budgeted to fund the houses as follows:
New debenture $615,000
New Grants $600,000
Council funds $200,000
To date a $170,000 has been obtained for the second UWA house on the basis that it is innovative (i.e. UWA Flat Packed) and will be used for mining. To proceed
immediately with an additional 3 houses it would be necessary to increase the debenture to $1,045,000.

Location

The houses would be located in the John Street Subdivision. Lot 354 is the sire for the first flat packed prototype. Lot 353 is the site for the second prototype. The remaining 3 lots in Timmings Street (Lots 350, 351 & 352), or Lots 355 to 359 in Hirshauer would be suitable for the remaining 3 (or 4) houses.

Action Required

1. That Council advertise its intention to borrow up to $1,100,000 over 20 years for the construction of 4 new dwellings
2. That Council commence the process to borrow the required funds.
3. That the CEO commence the process for tendering for the construction of up to 4 new transportable dwellings of 4 bedroom two bathroom and minimum 180 square metres of living space.
4. That Council authorise the CEO to select blocks for the construction of the houses.
5. That Council investigate the possibility of 20 years leases for the houses.

Background:
Council has identified additional housing as a constraint in taking full advantage of the mining development.

**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 intention is that the cost of the loans would be funded by the lease costs.

**Strategic Implications:**
Additional housing is one of the outcomes identified by Council in its strategic plan.

**Consultation:**
The housing projected was discussed by the president with the COO of Karara Mining on 17th February 2010.

**Comment:**
The proposed approach will allow Council to build the second UWA house plus three others, or if the second UWA house cannot be completed within a reasonable time, four houses to meet the specifications agreed with Karara.

**Voting Requirements:**
Absolute majority

**Officers Recommendation:**

1. That Council advertise its intention to borrow up to $1,100,000 over 20 years for the construction of 4 new dwellings

2. That Council commence the process to borrow the required funds.

3. That the CEO commence the process for tendering for the construction of up to 4 new transportable dwellings of 4 bedroom two bathroom and minimum 180 square metres of living space.

4. That Council authorise the CEO to select blocks for the construction of the houses.

5. That Council investigate the possibility of 20 years leases for the houses.

**Council Resolution:**

Moved: Cr John Cunningham Seconded: Cr John Bensdorp

1. That Council advertise its intention to borrow up to $1,100,000 over 20 years for the construction of 4 new dwellings

2. That Council commence the process to borrow the required funds.

3. That the CEO commence the process for tendering for the construction of up to 4 new transportable dwellings of 4 bedroom two bathroom and minimum 180 square metres of living space.
4. That Council authorise the CEO to select blocks for the construction of the houses.

5. That Council investigate the possibility of 20 years leases for the houses.

6. To Prepare a business plan

Carried: 9/0

10027.5 MATTERS BEHIND CLOSED DOORS

10027.6 DATE OF NEXT MEETING / MEETINGS

10027.7 CLOSURE

With no further business the Ordinary Council Meeting officially closed at 5.30pm