



**SHIRE**  
*of*  
**DANDARAGAN**

**MINUTES**

**of the**

**SPECIAL COUNCIL MEETING**

**held at the**

**COUNCIL CHAMBERS, JURIEN BAY**

**on**

**THURSDAY 8 OCTOBER**

**COMMENCING AT 9.00AM**

*(THIS DOCUMENT IS AVAILABLE IN LARGER PRINT ON REQUEST)*

<b>MINUTES FOR SPECIAL COUNCIL MEETING HELD THURSDAY 8 OCTOBER 2015</b>
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## 1 DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS

### 1.1 DECLARATION OF OPENING

The presiding member declared the meeting open at 9.00am and welcomed those present.

### 1.2 DISCLAIMER READING

The disclaimer was not read aloud as there were no members of the public present.

*“No responsibility whatsoever is implied or accepted by the Shire of Dandaragan for any act, omission or statement or intimation occurring during this meeting.*

*It is strongly advised that persons do not act on what is heard at this meeting and should only rely on written confirmation of Council’s decision, which will be provided within fourteen (14) days of this meeting.”*

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

### Members

Councillor W Gibson	(President)
Councillor K McGlew	(Deputy President)
Councillor L Short	
Councillor J Kulisa	
Councillor D Kent	
Councillor T Bailey	
Councillor M Sheppard	

### Staff

Mr T Nottle	(Chief Executive Officer)
Mr I Rennie	(Deputy Chief Executive Officer)
Mr S Clayton	(Executive Manager Corporate & Community Services)
Mr G Yandle	(Executive Manager Infrastructure)
Mr D Chidlow	(Manager Planning)

### Apologies

### Approved Leave of Absence

Councillor L Holmes  
Councillor D Slyns

## 3 PUBLIC QUESTION TIME

Nil

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#### 4 PURPOSE OF THE MEETING

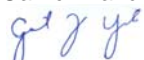

The purpose of the meeting is to consider the following items:

1. Tender RFT 06/2015 Disposal of Existing Shire Vehicles; and
2. Officer Delegation – Purchase of Second Hand Plant Equipment.

#### 5 ORDER OF BUSINESS

##### 5.1 INFRASTRUCTURE SERVICES

##### 5.1.1 TENDER RFT 06/2015 DISPOSAL OF EXISTING SHIRE VEHICLES

Location:	N/A
Applicant:	N/A
Folder Path:	Business Classification / Plant Equipment and Stores / Tendering / Tender Evaluations
Disclosure of Interest:	None
Date:	30 September 2015
Author:	Garrick Yandle, Executive Manager Infrastructure
Signature of Author:	
Senior Officer:	Tony Nottle, Chief Executive Officer
Signature of Senior Officer:	

##### PROPOSAL

That Council consider awarding the tender for the RFT 06/2015 – Disposal of existing Shire vehicles.

##### BACKGROUND

The Tender was advertised in The West Australian on 5 September 2015 and was also placed on the Shire website [www.dandaragan.wa.gov.au/tenders](http://www.dandaragan.wa.gov.au/tenders) and local community publications. The Tender submissions closed on Tuesday 22 September 2015 at 2pm.

Various plant items were advertised with a summary of specifications as described by the tender documents as follows:

- Item 1 – Disposal of 2013 Holden Colorado 7 Wagon
- Item 2 – Disposal of 2013 Holden Colorado 7 Wagon
- Item 3 – Disposal of Toyota Prado
- Item 4 – Disposal of Hockney Tanker
- Item 5 – Disposal of 2009 Mitsubishi Triton Utility
- Item 6 – Disposal of 2009 Ford Ranger Utility

##### COMMENT

The following provides a summary of Tenders received and also the Shire staff recommendation.

At 2pm on 22 September 2015 the tender period closed with tenders received from the following 2 tenderers:

- Direct Contracting
- Pickles Auctions

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The following table summarises the tendered prices received inclusive of GST:

ITEM	Direct Contracting	Pickles Auctions
1 – Holden Colorado 7 Wagon (DN016)		\$28,000
2 – Holden Colorado 7 Wagon (DN032)		\$28,000
3 – Toyota Prado Wagon (DN000)		\$35,000
4 – Hockney Semi Trailer Tanker	\$5,527.50	\$4,400
5 – Mitsubishi Triton Utility		\$6,000
6 – Ford Ranger Utility		\$8,000

A procurement process was run concurrently with the Tender process for the changeover of the following Shire vehicles with quotes being sought for the purchase and trade of.

- Item 1 – Disposal of 2013 Holden Colorado 7 Wagon
- Item 2 – Disposal of 2013 Holden Colorado 7 Wagon
- Item 3 – Disposal of Toyota Prado

Quotes inclusive of GST were received from the following:

- Lewis Motors Moora
- Bayswater Mazda

ITEM	Vendor	Purchase Price	Disposal / Trade Price
1 – Purchase: Mazda CX5 Trade: Holden Colorado 7 Wagon (DN016)	Bayswater Mazda	\$36,824.62	\$24,400
2 – Purchase: Mazda CX5 Trade: Holden Colorado 7 Wagon (DN032)	Bayswater Mazda	\$36,824.62	\$24,400
3 – Purchase: Toyota Prado Wagon Trade: Toyota Prado Wagon (DN000)	Lewis Motors	\$62,797.31	\$30,000

The amount allocated in the 2015/16 Shire Budget (inclusive of GST) for the changeover of the listed vehicles can be summarised as follows.

ITEM	Purchase Price	Disposal / Trade Price	Changeover
1 – Purchase: Mazda CX5 Trade: Holden Colorado Wagon (DN016)	\$38,100	\$24,000	\$14,100
2 – Purchase: Mazda CX5 Trade: Holden Colorado Wagon (DN032)	\$38,100	\$24,000	\$14,100

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3 – Purchase: Toyota Prado Wagon Trade: Toyota Prado Wagon (DN000)	\$61,000	\$32,000	\$29,000
4 – Hockney Semi Trailer Tanker	\$60,000	\$5,000	\$55,000
5 – Mitsubishi Triton Utility	\$30,000	\$2,000	\$28,000
6 – Ford Ranger Utility	\$30,000	\$2,000	\$28,000

**CONSULTATION**

- Chief Executive Officer

**STATUTORY ENVIRONMENT**

Section 11 Local Government (Functions & General) Regulations 1996 – When tenders have to be publically invited

Section 3.58 Local Government Act (1995) – Disposing of property

**3.58. Disposing of property**

- (1) In this section —  
dispose includes to sell, lease, or otherwise dispose of, whether absolutely or not;  
property includes the whole or any part of the interest of a local government in property, but does not include money.
- (2) Except as stated in this section, a local government can only dispose of property to —
  - (a) the highest bidder at public auction; or
  - (b) the person who at public tender called by the local government makes what is, in the opinion of the local government, the most acceptable tender, whether or not it is the highest tender.

**POLICY IMPLICATIONS**

Shire of Dandaragan Purchasing Policy and Tender Guide 1.15

- Limit of proposed Contract exceeds the limit under Delegated Authority 103 provided to the CEO for disposal of Shire property (\$50,000). The collective amount of disposal is over this amount. Therefore, a Council resolution is required.

**FINANCIAL IMPLICATIONS**

The following is a summary of the recommended Tenderer and their awarded tender prices including:

- Preferred Vendor / Purchaser and their price.
- Budget Figures.
- Changeover costs.
- Savings compared to budgeted figures.

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ITEM	Vendor	Disposal Tenderer	Purchase Price	Disposal Price	Changeover	Budget Saving
1 – Purchase: Mazda CX5 Trade: Holden Colorado Wagon (DN016)	Bayswater Mazda	Pickles Auctions	\$36,824.62 (\$38,100)	\$28,000 (\$24,000)	\$8,824.62 (\$14,100)	\$5,275.38
2 – Purchase: Mazda CX5 Trade: Holden Colorado Wagon (DN032)	Bayswater Mazda	Pickles Auctions	\$36,824.62 (\$38,100)	\$28,000 (\$24,000)	\$8,824.62 (\$14,100)	\$5,275.38
3 – Purchase: Toyota Prado Wagon Trade: Toyota Prado Wagon (DN000)	Lewis Motors	Pickles Auctions	\$62,000 (\$61,000)	\$35,000 (\$32,000)	\$27,000 (\$29,000)	\$2,000
4 – Hockney Semi Trailer Tanker		Direct Contracting	N/A (\$60,000)	\$5,527.50 (\$5,000)	N/A (\$55,000)	\$527.50
5 – Mitsubishi Triton Utility		Pickles Auctions	N/A (\$30,000)	\$6,000 (\$2,000)	N/A (\$28,000)	\$4,000
6 – Ford Ranger Utility		Pickles Auction	N/A (\$30,000)	\$8,000 (\$2,000)	N/A (\$28,000)	\$6,000

All prices in the above table are inclusive of GST.

### STRATEGIC IMPLICATIONS

There are no strategic implications relevant to this item.

### ATTACHMENTS

Nil

### VOTING REQUIREMENT

Simple majority

### OFFICER RECOMMENDATION / COUNCIL DECISION

**Moved Cr Short, seconded Cr Kent**


**That Council award the tender RFT 06/15 for the Disposal of Existing Shire Vehicles as follows:**

- 1. Item 1 – Disposal of 2013 Holden Colorado 7 Wagon to Pickles Auctions for \$28,000 (incl GST).**
- 2. Item 2 – Disposal of 2013 Holden Colorado 7 Wagon to Pickles Auctions for \$28,000 (incl GST).**
- 3. Item 3 – Disposal of Toyota Prado to Pickles Auctions for \$35,000 (incl GST).**
- 4. Item 4 – Disposal of Hockney Tanker to Direct Contracting for \$5,527.50 (incl GST).**
- 5. Item 5 – Disposal of 2009 Mitsubishi Trion Utility to Pickles Auctions for \$6,000 (incl GST).**
- 6. Item 6 – Disposal of 2009 Ford Ranger Utility to Pickles Auctions for \$8,000 (incl GST).**

**CARRIED 7 / 0**

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**5.1.2 OFFICER DELEGATION – PURCHASE OF SECOND HAND PLANT EQUIPMENT**

Location: N/A  
 Applicant: N/A  
 Folder Path: Business Classification Scheme / Financial Management / Authorisations  
 Disclosure of Interest: The author of the report is seeking delegated authority from Council to purchase equipment up to a limit as determined.  
 Date: 1 October 2015  
 Author: Tony Nottle, Chief Executive Officer  
 Signature of Author: 

**PROPOSAL**

For Council to consider delegating authority to the Chief Executive Officer to purchase second hand plant and equipment up to a determined amount.

**BACKGROUND**

During Council's budget discussions for the 2015/16 financial year, both Council and staff discussed the opportunity available due to the mining downturn of quality second hand equipment becoming available at various auctions and second hand yards.

Council expressed an interest in purchasing equipment for fleet replacement without the need to spend the higher amount for the purchase of new equipment.

Shire staff have identified a number of plant items that could be replaced with quality second hand equipment. These plant items with budgeted costs include:

Item	Quantity	Budget	Comments
Semi-trailer water tanker	1	\$60,000	to replace existing tanker
Semi-trailer side tipper with dolly	1	\$70,000	to replace existing pig trailer
Single cab 4wd ute	2	\$30,000 each	to replace grader driver vehicles
Loader	1	\$50,000	to replace Cervantes Tip loader

Staff are requesting Council to consider authorisation to allow a best value for money approach to purchase second hand equipment.

**COMMENT**

Council has already determined a budget figure for each item of plant. However under the Council's existing Purchasing Policy 1.15 – normally quotations would be required prior to authorising a purchase.

The opportunity exists to purchase good quality, relative new

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second hand plant and equipment at reasonable and reduced prices available at various auctions and second hand yards. This provides Council with a more cost effective option than purchasing new equipment for specifically identified plant items.

To take advantage of the auction process, Council would need to authorise the Chief Executive Officer to purchase the replacement plant up to a certain value.

### CONSULTATION

- Department of Local Government & Communities
- Executive Management Team

### STATUTORY ENVIRONMENT

Section 5.43(d) of the Local Government Act 1995 states:

#### ***“5.43. Limits on delegations to CEO***

*A local government cannot delegate to a CEO any of the following powers or duties —*

- (d) acquiring or disposing of any property valued at an amount exceeding an amount determined by the local government for the purpose of this paragraph.”*

Therefore Council would need to determine a limit for each plant item.

Regulation 11(2)(d) of the Local Government (Functions and General) Regulations 1996 also outlines that provided a resolution of Council is made, tendering for the replacement plant is not required.

#### ***“11. When tenders have to be publicly invited***

- (2) Tenders do not have to be publicly invited according to the requirements of this Division if —*
- (d) the contract is to be entered into by auction after being expressly authorised by a resolution of the council of the local government.”*

### POLICY IMPLICATIONS

Policy 1.15 outlines the processes and procedures for purchasing goods and services.

### FINANCIAL IMPLICATIONS

Council has already determined the budget requirements for each plant item. This process will allow staff to acquire quality plant and equipment on a best value for money basis.

### STRATEGIC IMPLICATIONS

There are no strategic implications in this item.



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ATTACHMENTS

Nil

VOTING REQUIREMENT

Absolute majority

**OFFICER RECOMMENDATION / COUNCIL DECISION**

**Moved Cr Bailey, seconded Cr Sheppard**

**That Council authorise the Chief Executive Officer to purchase second hand plant and equipment for the following replacement plant items up to the maximum as indicated:**

- 1. 1 x Semi-trailer water tanker up to \$60,000 (incl GST).**
- 2. 1 x Semi-trailer side tipper with dolly up to \$70,000 (incl GST).**
- 3. 2 x Single cab 4wd ute up to \$30,000 each (incl GST).**
- 4. 1 x Loader up to \$50,000 (incl GST).**

**CARRIED BY ABSOLUTE MAJORITY 7 / 0**

**6 CLOSURE OF MEETING**

The presiding member declared the meeting closed at 9.22am.

These minutes were confirmed at a meeting on .....

Signed .....

Presiding person at the meeting at which the minutes were confirmed

Date .....