



Western Australia

## Agenda for the Ordinary Meeting of the Murchison Shire Council

Held in the Council Chambers, Carnarvon Mullewa Road, Murchison,  
on Thursday **27 February 2020**, commencing at 12 Noon.

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## ATTACHMENTS

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**1 DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS**

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**2 RECORD OF ATTENDANCE/APOLOGIES/LEAVE OF ABSENCE**

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**3 CONFIRMATION OF MINUTES**

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**3.1 Ordinary Council Meeting – 12 December 2019**Background

Minutes of the Ordinary Meeting of Council have previously been circulated to all Councillors.

Recommendation

That the minutes of the Ordinary Council meeting held on 12 December 2019 be confirmed as an accurate record of proceedings.

Voting Requirements:

Simple majority

<b>Council Decision</b>		
<b>Moved: Cr</b>	<b>Seconded: Cr</b>	
<b>Carried/Lost</b>	<b>For</b>	<b>Against</b>

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**4 DISCLOSURE OF INTERESTS**

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**5 RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE**

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**6 STANDING ORDERS**

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Matter for Consideration

It has been customary practice in the interests of a productive meeting in relation to the Conduct of Members during debates for the Council suspend Standing Orders 8.2 (Limitation on Number of speeches) and 8.3 (Duration of Speeches) under Local Law 2001. To facilitate this the following recommended resolution is required.

**Recommendation**

That the following Local Law-Standing Orders 2001 be stood down:

8.2 Limitation on the number of speeches

8.3 Duration of speeches

Voting Requirements

Simple Majority

<b>Council Decision</b>		
Moved: Cr	Seconded: Cr	
Carried/Lost	For	Against

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**7 PUBLIC QUESTION TIME**

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**8 NEXT MEETING**

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Thursday 26 March 2020

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**9 APPLICATIONS FOR LEAVE OF ABSENCE**

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**10 NOTICE OF ITEMS TO BE DISCUSSED BEHIND CLOSED DOORS**

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22.1 Sealing Works

22.2 Flood 6 Superintendent

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**11 ANNOUNCEMENTS BY PRESIDING PERSON WITHOUT DISCUSSION**

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**12 PETITIONS/DEPUTATIONS/PRESENTATIONS/SUBMISSIONS**

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**13 ANNOUNCEMENTS CONCERNING MEETINGS ATTENDED**

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**13.1 Shire President**

**13.2 Councillors**

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## 14 REPORTS OF COMMITTEES

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### 14.1 Audit Committee

File: 2.2  
Author: Bill Boehm – Chief Executive Officer  
Interest Declared: No interest to disclose  
Date: 21 February 2020  
Attachments: 14.4.1 Audit Committee Meeting Agenda and Attachments including Financial Report 2019 and Management Letter

#### Matter for Consideration

Amongst other things one of the objectives of the Audit Committee is to accept responsibility for the annual external audit and liaise with the local government's auditor so that Council can be satisfied with the performance of the local government in managing its financial affairs.

According to legislative requirements, the Audit Committee will meet with the auditor to discuss the Annual Financial Report, the Audit Report and the Management Letter. This meeting is scheduled for 11:00am Thursday 27 February 2020. The auditor will attend that meeting by telephone.

A copy of the Audit Committee Meeting Agenda and Attachments including Financial Report 2019 including Audit Closing Report has been separately circulated.

#### **Recommendation**

To be considered under Item 21 Urgent Business Audit Committee Recommendation which will be provided will be provided following deliberations of the Audit Committee Meeting.

#### Voting Requirements

Simple Majority

<b>Council Decision</b>
<b>Moved: Cr</b> <span style="margin-left: 200px;"><b>Seconded: Cr</b></span>
<b>Carried/Lost</b> <span style="margin-left: 100px;"><b>For</b></span> <span style="margin-left: 100px;"><b>Against</b></span>

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## 15 WORKS

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### 15.1 Works Report

File:

Author: William Herold – Works Supervisor

Interest Declared: No interest to disclose

Date 21 February 2020

Attachments: 15.1.1 Monthly Plant Report  
15.1.2 Flood Event Information  
15.1.3 Technical Officers Report

#### Monthly Plant Report

As Attached

#### Construction Crew

The construction crew returned from the Christmas break and went straight into a minor grid repair project. This unfortunately delayed them getting back to the re sheet job north of the Wooramel crossing by a few days. However, they are now on the Job and progressing at a satisfactory rate. By the time Council meets they should be approaching the Bilung Creek crossing. We will also be using a grid roller for the first time as well as material that will be unfamiliar to the crew and will probably take a few days for them to get their heads around how to operate it effectively.

#### Maintenance Crew

The maintenance crew 's first job was repair of some storm damage on Butchers Track. They then headed over to the Beringarra/ Pindar Rd. and continued from where they left off before the Christmas break (McNabb turnoff). They will continue north picking up the Mt. Wittenoorn Rd on their way past. Peter Mahony is standing in until our new employee Lou Bavoillot starts at the beginning of March

#### Grids

Yuin Contracting have installed two new grids on the Carnarvon/ Mullewa Rd with a third to follow shortly. Jenkin Manufacturing are in the process of making new inserts as our rail inserts have come to an end.

#### Bilung Creek Crossing

Council's attention needs to be drawn to the poor state of repair of this concrete crossing and I feel urgent consideration needs to be given as to what needs to be done. It may well become an issue in the not too distant future, if it is left as it is. We can and will monitor the condition of the concrete and carry repairs if urgent. Around \$30,500 has been estimated for Flood 6 repairs but the variable width together with horizontal profile of the road and floodway plus age and condition of the concrete may justify a review and potential redesign and reconstruction.

#### Bunding of Old Roads

By the time Council meets Rowe Contractors should have completed the old road bunding On Mileura and stockpiled some material for use on the Beringarra/ Cue road.

#### Plant Replacement – New Grader

The new Grader has arrived in Geraldton and is being fitted out with our required specs. Delivery is expected in early March. Once we have possession, we will make preparations to start selling off the old gear through one of the auction houses.

#### Flood Event 4-9 February 2020

Council has been advised that the *Disaster Recovery Funding Arrangements - Western Australia (DRFA-WA) 2018* has been activated for the event 'AGRN899 Tropical Cyclone Damien and Associated Flooding (4-9 February 2020)'. The local governments districts currently included in the affected area for this eligible 'Cyclone' and 'Flood' natural disaster event thus far are Ashburton, Karratha, Meekatharra and Port Hedland:

As we may be impacted by the event, albeit perhaps in a minor way, we have contacted the Disaster Recovery Funding Arrangements WA Team and will follow up with a registration of interest if deemed worthwhile. Meanwhile, information relevant to the passage of floodwaters in the Murchison River is attached.

#### Technical Officer's Report

A copy of the Technical Officer's report on a range of works related issues is attached.

#### Settlement Power

As indicated in the Technical Officers Report arrangements have been put into place for the replacement of our existing Gen Sets at the Power Station. The scheduled April installation will mean that the current units will need to be managed in the interim as they are under capacity for the demand.

This was evidenced by a power disruption on the weekend of 1-2 February 2020. On the Saturday night only the larger Cat unit was operating and there was some difficulty in getting it re-started. On Sunday we were able to get both units functioning with replacement of a fan belt for the smaller unit. In tandem plus some evaporative cooling of air at the intake they seem to be coping albeit at capacity. It will be as we know a difficult summer which we will manage as best we can, but an improvement will only be able to be undertaken when the new units are installed

We have been in further discussion with Steve Dart from Hybrid Systems Australia who installed the data logger in Late November 2019. That is where the information as to the size of the two new Gensets was obtained. They also did a pickup of the cable size that reticulates the power around the Settlement and found it to be more than adequate. Some of the points to note that Steve raised are as follows.

- The bigger Genset is rated at 150 KVA at 25 degrees Celsius. Steve estimates it will probably only be putting out around 90 KVA at best in the 45-degree heat experienced over that weekend. One of the new gen sets will be delivering close to double that capable of a minimum of 170 kVA at 50deg Celsius at 290m above sea level. This is part of the reason for this Genset having the overheating issues and shutting itself down. It is just not coping.
- As far as the electrical distribution board goes it is not perfect but adequate at present and will be modified and improved when the new Gensets are installed. There is still considerable capacity for more to be drawn through it.
- Installing individual meters on each house and building right now will achieve nothing except an expense.

The immediate steps we have taken to tide us over are as follows.

- We have rigged up the portable evaporative air cooler to blow into the Gensets air intake to the cabinet. This has dropped the temperature considerably. We also removed the backing plate behind the radiator, so the hot air is being blown out of the shed as opposed to up against the roof and possibly ending up back at the intake. (This was Cr Whitmarsh suggestion)
- We have also started the Number 2 genset to share some of the load. This will run through the heat of the day until this evening when we can do a service on one of the sets. Hopefully the big set will then be sufficient to take us through the night.
- We have investigated whether there are any mechanical issues on the big Genset such as thermostat, belt tension, blocks to Intakes, radiator and the like and we have come up with no obvious faults.

The current power generation setup has been problematic for a long time, and we suspect that this is a combination of factors such as an increased demand as the Settlement has grown and possibly that the plant was under spec. We are continuing to monitor the operating temperatures on both sets.

#### **Recommendation**

The Works Supervisors Report be received and accepted

## Voting Requirements

Simple Majority

<b>Council Decision</b>		
<b>Moved: Cr</b>		<b>Seconded: Cr</b>
<b>Carried/Lost</b>	<b>For</b>	<b>Against</b>

## **15.2 Plant Replacement Program**

File: 12.15  
Author: Bill Boehm – Chief Executive Officer  
William Herold – Works Supervisor  
Interest Declared: No interest to disclose  
Date 21 February 2020  
Attachments: 15.2.1 Plant Replacement Report

### Matter for Consideration

As part of an Asset Management Strategy it is normal practice to develop up a strategic approach to the replacement of Councils Plant and Machinery. The financial results are then incorporated into an overall Long-Term Financial Plan. Council has in the past examined this aspect, but this appears to be some time ago such that an update is considered prudent.

### Comments

The Plant Replacement Report and Attachments highlight the relevant considerations including a summary explanation of the review, the actual 2020 Plant Replacement Program (which is an adaptive model), Plant Operating Analysis for 2018/19 and an explanation and summary of Plant Reserve Allocations.

### Statutory Environment

*Local Government Act 1995.*

Corporate Business Plans Requirements. *Local Government (Administration Regulations) 1996*

### Sustainability Implications

Environmental There are no known significant environmental considerations  
Economic There are no known significant economic considerations  
Social There are no known significant social considerations

### Strategic Implications

Shire of Murchison Council Community Strategic Plan

Civic Leadership Objective 4

*To provide Good Governance to the Murchison Shire through:*

~ *Compliance with statutory requirements*

~ *High quality forward planning, particularly for assets and finances*

Strategies - Financial Planning and Management

*To responsibly manage Council's financial resources to ensure optimum value for money and sustainable asset management.*

The Plant Replacement Program is a strategic document including a 20-year analysis which addresses the proposed replacement of current Plant as well as foreshadowing potential new items improvements.

### Policy Implications

Nil



### Financial Implications

The financial implications are shown over the life of the Program. A slight increase from \$434,986 to \$500,000 in allocation to the Plant Replacement Reserve is required for 2019/20. This equates to last financial years cash operating surplus. From time to time plant rates will also need to be increased as a matter of course. The Program shows that, more or less, plant should be able to be replaced using funding predominately from the Plant Reserve.

### **Recommendation**

That Council

1. Receive and adopt the Plant Replacement Report as attached
2. For 2019/20 increase the amount allocated to the Plant Replacement Reserve to \$500,000.

### Voting Requirements

Simple Majority

<b>Council Decision</b>		
<b>Moved: Cr</b>	<b>Seconded: Cr</b>	
<b>Carried/Lost</b>	<b>For</b>	<b>Against</b>

## **15.3 Sealed Roads Program**

File: 12.2  
Author: Bill Boehm – Chief Executive Officer  
Interest Declared: No interest to disclose  
Date: 21 February 2020  
Attachments: 15.3.1 Murchison Shire Sealed Roads Program Report

### Matter for Consideration

At the September 2019 Council Meeting the Works Supervisor advised Council that to improve the refinement of our resealed roads and improve overall management generally we have engaged Greenfields to undertake the assessment and programming of the sealed sections of the Carnarvon-Mullewa Road. This will give us a program for this year and beyond. In addition, they will conduct the tender management aspect. Supervision of the program will also follow once the program has been established and successful tenderer identified.

### Comments

Actions to implement the 2019/20 Program have been put into place. A summary report which expands Greenfields work over 20 years is attached. As indicated reseals are assumed to have a 15-year life.

The Council Budget provided a notional job in the Roads Construction General Section that needed refinement ie C141174 Cap Ex–Carnarvon-Mullewa Rd – Reseal 11.3km (250,000).

The program now refines the sealing program as per the attached list ie:

Carnarvon-Mullewa Rd	Beringarra- Pindar Rd
(SLK 154.00 to SLK 161.06)	(SLK 154.00 to SLK 161.01) - near PIA Wadjarri
(SLK 193.21 to SLK 195.51)	(SLK 259.50 to SLK 260.65) - near Yuin Station
(SLK 234.50 to SLK 237.84)	(SLK 309.50 to SLK 310.46) - near Tallering

Following a review of progress of our Works Program it has been identified that we will likely struggle to complete all works as originally budgeted. This included some Roads to Recovery Projects which would mean that we would not achieve the scheduled program expenditure.

Accordingly, we have included the above sealed works in this year's Roads to Recovery Program and deferred a section of gravel resheet and drainage correction for a section of the Carnarvon-Mullewa Rd (SLK 266.40 to SLK 269.80) north of the Pinegrove grid until next year's program.

It also needs to be noted that whilst Main Roads WA road funded works need to be undertaken on those roads as identified under the Main Roads 2030 document, Roads to Recovery works have limited restrictions and can more or less be directed to any road in the Shire so long as Council meets minimum own source expenditure targets. In 2018/19 our own source road expenditure was around \$1.148m much greater than the \$0.275m minimum requirement.

#### Statutory Environment

*Local Government Act 1995.*

Corporate Business Plans Requirements. *Local Government (Administration Regulations) 1996*

#### Sustainability Implications

Environmental      There are no known significant environmental considerations

Economic            There are no known significant economic considerations

Social                There are no known significant social considerations

#### Strategic Implications

Shire of Murchison Council Community Strategic Plan

Economic Objective 1

*To develop the region's economic potential to encourage families and businesses to stay in the area.*

Strategies - Maintenance and Upgrade of Road Network

*To develop, maintain and improve an efficient road system to support the transport requirements associated with the pastoral and mining industries and tourism.*

Civic Leadership Objective 4

*To provide Good Governance to the Murchison Shire through:*

~ *High quality forward planning, particularly for assets and finances*

Strategies - Financial Planning and Management

*To responsibly manage Council's financial resources to ensure optimum value for money and sustainable asset management.*

#### Policy Implications

Nil

#### Financial Implications

Nil at this stage. Movement of some projects between funding sources will be required and will be addressed in future budgets.

#### **Recommendation**

That Council receive and note the Chief Executive Officers Sealed Roads Program Report and note the changes to be made to the 2019/20 works program and budget required to accommodate the works as refined.

#### Voting Requirements

Simple Majority

<b>Council Decision</b>		
<b>Moved: Cr</b>	<b>Seconded: Cr</b>	
<b>Carried/Lost</b>	<b>For</b>	<b>Against</b>

## 15.4 Murchison Roads 2030 Regional Strategies

File: 12.2  
Author: Bill Boehm – Chief Executive Officer  
Interest Declared: No interest to disclose  
Date: 21 February 2020  
Attachments: 15.4.1 Murchison Roads 2030 Regional Strategies Report

### Matter for Consideration

In December 2019 all Councils were provided an opportunity to provide any update to this strategy with submissions closing 17 February 2020. It is important that this action be taken as only those Roads that are included within Roads 2030 will be eligible for future Main Roads Grants Funding.

Following a briefing session with elected members on 30 January 2020 an update submission was prepared and lodged.

This report formally updates the situation.

### Comments

The attached Murchison Roads 2030 Regional Strategies Report and Attachments highlights the relevant considerations to update this strategy including explanations as well as providing details of the submissions lodged with Main Roads WA.

### Statutory Environment

*Local Government Act 1995.*

*Corporate Business Plans Requirements. Local Government (Administration Regulations) 1996*

### Sustainability Implications

Environmental	There are no known significant environmental considerations
Economic	There are no known significant economic considerations
Social	There are no known significant social considerations

### Strategic Implications

Shire of Murchison Council Community Strategic Plan

Economic Objective 1

*To develop the region's economic potential to encourage families and businesses to stay in the area.*

Strategies - Maintenance and Upgrade of Road Network

*To develop, maintain and improve an efficient road system to support the transport requirements associated with the pastoral and mining industries and tourism.*

Civic Leadership Objective 4

*To provide Good Governance to the Murchison Shire through:*

*~ High quality forward planning, particularly for assets and finances*

Strategies - Financial Planning and Management

*To responsibly manage Council's financial resources to ensure optimum value for money and sustainable asset management.*

### Policy Implications

Nil

### Financial Implications

Nil. It is important that this action be taken as only those Roads that are included within Roads 2030 will be eligible for future Main Roads Grants Funding.

## Recommendation

That Council receive and note the Chief Executive Officers Murchison Roads 2030 Regional Strategies Report and endorse the submission made on Council's behalf.

### Voting Requirements

Simple Majority

<b>Council Decision</b>		
<b>Moved: Cr</b>	<b>Seconded: Cr</b>	
<b>Carried/Lost</b>	<b>For</b>	<b>Against</b>

## 15.5 Carnarvon-Mullewa Road Report

File: 12.2  
Author: Bill Boehm – Chief Executive Officer  
Interest Declared: No interest to disclose  
Date: 21 February 2020  
Attachments: 15.5.1 Carnarvon-Mullewa Road Report

### Matter for Consideration

At the September 2019 Council Meeting the Works Supervisor advised Council that to improve the refinement of our resealed roads and improve overall management generally we have engaged Greenfields to undertake the assessment and programming of the sealed sections of the Carnarvon-Mullewa Road. At that time Greenfields were also requested to not just review the existing sealed conditions and come up with a ten-year sealed program but also look at options and rationale for a potential widening program.

A copy of their report on the Carnarvon-Mullewa Road Seal Surfacing Future Widening Extension Assessment is attached which aids discussion on a review of the overall strategy associated with this road.

This report is presented to aid discussion on a review of the overall strategy associated with this road.

### Comments

The attached Carnarvon-Mullewa Road Report and Attachments highlights and provides commentary on various the relevant considerations to update this strategy including the Status and Function of the Road, Seal Width, Seal Widening Options, New Seal Extensions, Seal Application and Road Formation and Drainage.

The report and recommended approach for future projects is provided when moving forward in managing the Carnarvon-Mullewa Road.

### Statutory Environment

*Local Government Act 1995.*

Corporate Business Plans Requirements. *Local Government (Administration Regulations) 1996*

### Sustainability Implications

Environmental There are no known significant environmental considerations  
Economic There are no known significant economic considerations  
Social There are no known significant social considerations

### Strategic Implications

Shire of Murchison Council Community Strategic Plan

Economic Objective 1

*To develop the region's economic potential to encourage families and businesses to stay in the area.*

Strategies - Maintenance and Upgrade of Road Network

*To develop, maintain and improve an efficient road system to support the transport requirements associated with the pastoral and mining industries and tourism.*

Civic Leadership Objective 4

*To provide Good Governance to the Murchison Shire through:*

*~ High quality forward planning, particularly for assets and finances*

Strategies - Financial Planning and Management

*To responsibly manage Council's financial resources to ensure optimum value for money and sustainable asset management.*

Policy Implications

Nil

Financial Implications

Nil at this stage. Any financial implications will be addressed in future budgets.

**Recommendation**

That Council receive and note the Chief Executive Officers Carnarvon-Mullewa Road Report and note the recommended approach for future projects that are intended to be taken when moving forward with management of the Carnarvon-Mullewa Road.

Voting Requirements

Simple Majority

<b>Council Decision</b>		
<b>Moved: Cr</b>	<b>Seconded: Cr</b>	
<b>Carried/Lost</b>	<b>For</b>	<b>Against</b>

## 15.6 Murchison Roads Review Report

File: 12.24  
Author: Bill Boehm – Chief Executive Officer  
William Herold – Works Supervisor  
Interest Declared: No interest to disclose  
Date: 21 February 2020  
Attachments: 15.6.1 Murchison Roads Review Report

### Matter for Consideration

Since October 2005 Council has considered and adopted a Road Hierarchy to assist in the optimum use of resources to manage our vast road network. Over time circumstances change with regular reviews appropriate.

This this report formally updates and reviews the situation.

### Comments

The attached Murchison Roads Review Report and Attachments highlights the relevant considerations to update this current Council, Road hierarchy and strategy including a summary of the background to the review, details of the current roads data base, insurance implications, road classifications, service levels, treatment implications and budget implications .

The attached document combines all of these elements on a road by roads basis. The 2020 Condition Review currently being undertaken by Greenfields may further inform the situation. Ultimately both will further inform Councils Asset Management and Long-Term Financial Plans.

### Statutory Environment

*Local Government Act 1995.*

Corporate Business Plans Requirements. *Local Government (Administration Regulations) 1996*

### Sustainability Implications

Environmental	There are no known significant environmental considerations
Economic	There are no known significant economic considerations
Social	There are no known significant social considerations

### Strategic Implications

Shire of Murchison Council Community Strategic Plan

Economic Objective 1

*To develop the region's economic potential to encourage families and businesses to stay in the area.*

Strategies - Maintenance and Upgrade of Road Network

*To develop, maintain and improve an efficient road system to support the transport requirements associated with the pastoral and mining industries and tourism.*

Civic Leadership Objective 4

*To provide Good Governance to the Murchison Shire through:*

~ *High quality forward planning, particularly for assets and finances*

Strategies - Financial Planning and Management

*To responsibly manage Council's financial resources to ensure optimum value for money and sustainable asset management.*

### Policy Implications

Nil

Financial Implications

Nil.

**Recommendation**

That Council receive and adopt the Chief Executive Officers Murchison Roads Review Report as an outline for the strategic management of Councils Roads network.

Voting Requirements

Simple Majority

<b>Council Decision</b>		
<b>Moved: Cr</b>	<b>Seconded: Cr</b>	
<b>Carried/Lost</b>	<b>For</b>	<b>Against</b>

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## 16 FINANCE

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### 16.1 Accounts Paid since the last list was adopted/endorsed by Council

File: 4.37.1  
Author: Tatjana Erak - Acting Deputy Chief Executive Officer  
Interest Declared: No interest to disclose  
Date: 21 February 2020  
Attachments: 16.1.1 EFT & Cheque Details for December 2019 and January 2020

#### Matter for Consideration

The *Local Government (Financial Management) Regulations 1996 Regulation 13* requires that if the local government has delegated to the CEO the exercise of its power to make payments from the municipal fund or the trust fund, then the CEO is to prepare a list of accounts paid by the CEO for each month and present this to the next ordinary meeting of the Council after the list has been prepared and have this recorded in the minutes of the meeting.

A list of payments presented in accordance with *Regulation 13* of the *Local Government (Financial Management) Regulations 1996* made since the last report to Council is attached.

#### Strategic Implications

None

#### Policy Implications

None

#### Budget/Financial Implications

Payment from the Municipal, Trust and Reserve Bank Accounts.

#### Consultation

Moore Stephens

#### **Recommendation**

That the accounts since the last report to Council, as per the attached Schedule be recorded in the minutes as being presented to Council.

#### Voting Requirements

Simple Majority

<b>Council Decision</b>
<b>Moved: Cr</b> <span style="float: right;"><b>Seconded: Cr</b></span>
<b>Carried/Lost</b> <span style="float: right;"><b>For</b> <span style="margin-left: 100px;"><b>Against</b></span></span>



## 16.2 Financial Activity Statements 31 December 2019

File:

Author: Tatjana Erak – Acting Deputy Chief Executive Officer

Interest Declared: No interest to disclose

Date 21 February 2020

Attachments: 16.2.1 Monthly Management Financial Report December 2019

### Matter for Consideration

The Local Government (Financial Management) Regulations 1996 Regulation 34 requires that local government report monthly and prescribes what is required to be reported. Council is required to consider adopting the Monthly Financial Statements.

### Budget/Financial Implications:

Reports showing year to date financial performance allow monitoring of actual expenditure, revenue and overall results against budget targets.

### Consultation

Moore Stephens

### **Recommendation**

That Council adopt the financial statements for the period ending 31 December 2019 as attached.

### Voting Requirements

Simple Majority

<b>Council Decision</b>		
<b>Moved: Cr</b>	<b>Seconded: Cr</b>	
<b>Carried/Lost</b>	<b>For</b>	<b>Against</b>

## 16.3 Financial Activity Statements 31 January 2020

File:

Author: Tatjana Erak – Acting Deputy Chief Executive Officer

Interest Declared: No interest to disclose

Date 21 February 2020

Attachments: 16.3.1 Monthly Management Financial Report January 2020

### Matter for Consideration

The Local Government (Financial Management) Regulations 1996 Regulation 34 requires that local government report monthly and prescribes what is required to be reported. Council is required to consider adopting the Monthly Financial Statements.

### Budget/Financial Implications:

Reports showing year to date financial performance allow monitoring of actual expenditure, revenue and overall results against budget targets.

### Consultation

Moore Stephens

## Recommendation

That Council adopt the financial statements for the period ending 31 January 2020 as attached.

### Voting Requirements

Simple Majority

<b>Council Decision</b>		
<b>Moved: Cr</b>	<b>Seconded: Cr</b>	
<b>Carried/Lost</b>	<b>For</b>	<b>Against</b>

## 16.4 Rates

File:

Author: Tatjana Erak – Acting Deputy Chief Executive Officer

Interest Declared: No interest to disclose

Attachments: Nil

### Matter for Consideration

Update to Council on the annual rates generation as per the Budget for the 2019-20 Financial Year.

### Background

The 2019-20 Statutory Budget was adopted by Council on the 22 August 2019. The annual notices had been anticipated to be issued by the 6 September 2019 in order to meet the first due date of 11 October 2019.

This period was also on tail end of the Shire losing both CEO and DCEO in July, with the author holding down previous responsibilities whilst striving to support both the temporary CEO/DCEO as well as the incoming CEO, new staff and other temporary staff. Furthermore, it was only attempting to strike the rates that it was discovered that not all parameters within the rates model had been updated and checked as expected. The DLGSCI was contacted on the 19 September 2019 and the response was to ensure relevant timeframes to the new issue date were to be met, ie 35 days until due date with minimum 2 months between instalment due dates.

The Shire now has a relatively new Corporate Services Officer (both at the Shire and to local government in general). It is hoped that some more training can be undertaken to allow some backup to the Acting DCEO in time to help manage rates collection.

### Budget/Financial Implications:

Once rates are issued collection is anticipated to be as budgeted with timing issues due to delays. Until the first due date passes it is difficult to anticipate with accuracy how many ratepayers will take advantage of the 4-instalment option which remains available by legislation.

### Consultation

Department of Local Government, Sport and Cultural Industries (DLGSCI)

## Recommendation

That Council receive and note the advice that rates generation will be finalised promptly and meet legislated requirements.

Voting Requirements

Simple Majority

<b>Council Decision</b>		
<b>Moved: Cr</b>	<b>Seconded: Cr</b>	
<b>Carried/Lost</b>	<b>For</b>	<b>Against</b>

## 16.5 Financial Report 2019

File: 2.2  
Author: Bill Boehm – Chief Executive Officer  
Interest Declared: No interest to disclose  
Date: 21 February 2020  
Attachments: 16.5.1 Financial Report 2019 including Audit Closing Report

### Matter for Consideration

Council to consider a recommendation from the Audit Committee with respect to the Financial Report for 2018/19.

### Background

A local government is to prepare a Financial Report for the preceding financial year and such other financial reports as are prescribed. The 2018-19 Financial Report was prepared and sent to the Auditor after 30 September 2019 following an extension in time being obtained from the Minister for Local Government as prescribed under the *Local Government Act 1995*.

At its meeting at earlier today, the Audit Committee reviewed the Financial Report, discussing the Audit Findings and Management Letter with the Auditor.

The audited report, once adopted by Council, will be included in the Annual Report 2018-19 for presentation at the Annual Meeting of Electors to be held within 56 days of the adoption of the report.

### Comment

RSM conducted the audit of the Financial Report 2018-19 in accordance with Australian Auditing Standards. They believe that the audit evidence that they obtained was sufficient and appropriate to provide a basis for their audit opinion.

In conducting the audit, RSM followed applicable independence requirements of Australian professional ethical pronouncements.

At its meeting at 11:00 am today, the Audit Committee reviewed the Financial Report, discussing the Audit Findings and Management Letter with the Auditor.

The Audit Committee is to report on its meeting at Item 14.1 and makes its recommendation to Council below.

### Statutory Environment

Division 3 — Reporting on activities and finance

#### 6.4. Financial report

- (1) *A local government is to prepare an annual financial report for the preceding financial year and such other financial reports as are prescribed.*
- (2) *The financial report is to —*
  - (a) *be prepared and presented in the manner and form prescribed; and*
  - (b) *contain the prescribed information.*
  - (c)
- (3) *By 30 September following each financial year or such extended time as the Minister allows, a local government is to submit to its auditor —*
  - (a) *the accounts of the local government, balanced up to the last day of the preceding financial year; and*
  - (b) *the annual financial report of the local government for the preceding financial year.*

### Strategic Implications

Nil.

Policy Implications

Nil.

Budget/Financial Implications

The cost of the annual audit is included in the 2019-20 Budget.

Sustainability Implications

Environmental	There are no known significant environmental considerations
Economic	There are no known significant economic considerations
Social	There are no known significant social considerations

Consultation

Moore Stephens, RSM.

**Recommendation**

TBA

Voting Requirements

Simple Majority

<b>Committee Decision</b>		
<b>Moved: Cr</b>	<b>Seconded: Cr</b>	
<b>Carried/Lost</b>	<b>For</b>	<b>Against</b>

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**17 DEVELOPMENT**

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**17.1 Mountain Bike Developments**

File:	13.10
Author:	Bill Boehm – Chief Executive Officer
Interest Declared:	No interest to disclose
Date	21 February 2020
Attachments:	Nil

Background

As previously verbally advised prior to the end of December 2019 applications were submitted for funding towards a Mountain Bike Event planned for May 2021. Due to timing no formal update report was able to be provided. This brief report formally updates Council of the situation.

Matter for Consideration

The first application involved an application for Regional Tourism Funding to conduct the event and was ably assisted by Priscilla Clayton and Cr Emma Foulkes-Taylor. Overall a \$40,000 grant was requested with Council cash contribution of \$5,000 with the balance of the total project cost of \$97,675 proposed to be funded from sponsorship, sales fees etc.

Subsequently an application for Building Better Regions Funding was lodged to construct the mountain bike track and for a part re-sheet of the Errabiddy Bluff Track. Total Est Cost of \$280,900 to be funded on a 3:1 basis by a grant of \$210,675 with a Council contribution being \$70,225. Under this program applications were required to be from areas effected by drought so whilst rainfall information and some evidence was provided it is not known how this will stack up.

Statutory Environment

Local Government Act 1995

Sustainability Implications

Environmental      There are no known significant environmental considerations

Economic            There are no known significant economic considerations

Social                There are no known significant social considerations

Strategic Implications

Shire of Murchison Council Community Strategic Plan

Economic Objective 1 -

*To develop the region's economic potential to encourage families and businesses to stay in the area.*

Policy Implications

Nil

Financial Implications

If successful allocations as outlined will be required in the 2020/21 Financial Year.

**Recommendation**

That the Chief Executive Officer's Report relating a future Mountain Bike Developments in Murchison be received and noted.

Voting Requirements

Simple Majority

<b>Council Decision</b>		
<b>Moved: Cr</b>	<b>Seconded: Cr</b>	
<b>Carried/Lost</b>	<b>For</b>	<b>Against</b>

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## 18 ADMINISTRATION

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### 18.1 2020 Ordinary Meeting Dates Variation

File:	4.16
Author:	Bill Boehm – Chief Executive Officer
Interest Declared:	No interest to disclose
Date	21 February 2020
Attachments:	Nil

#### Matter for Consideration:

At the December Meeting of Council meeting dates for Ordinary Council Meetings were adopted for 2020. As required, these have been formally advertised.

Since this time, Council nomination for a position on the Mid West Development Commission for Cr Emma Foulkes-Taylor has been accepted by Hon Alannah MacTiernan MLC in her role as Minister for Regional Development.

Cr Emma Foulkes-Taylor has since advised me that two of their meetings will clash with the June and August Ordinary Meetings of Council. Cr Emma Foulkes-Taylor is seeking approval to have the meeting dates altered so that she can perform both important roles as Councillor and Commission Board Member rather than having to seek leave of absence.

#### Comments

Given that Cr Emma Foulkes-Taylor's appointment was in part as a result of Council's decision and only two dates are involved this request seems entirely reasonable. Moving a day earlier on these months to a Wednesday would be suitable.

#### Statutory Environment

Local Government (Administration) Regulations 1996

- 12(1) *At least once each year a local government is to give local public notice of the dates on which and the time and place at which*
- (a) *the ordinary council meetings; and*
  - (b) *the committee meetings that are required under the Act to be open to members of the public or that are proposed to be open to members of the public, are to be held in the next 12 months.*
- 12(2) *A local government gives public notice of any change to the date, time or place of a meeting referred to under regulation 12(1)*

#### Strategic Implications

Nil

#### Policy Implications

Nil

#### Financial Implications

Nil

#### Consultation

Nil

### **Recommendation**

That Council authorises the change in date for the June 2020 and August 2020 Ordinary Meetings of Council to respectively Wednesday 24 June 2020 and Wednesday 26 August 2020 and gives local public notice to that effect.

Voting Requirements

Simple Majority

<b>Council Decision</b>		
<b>Moved: Cr</b>	<b>Seconded: Cr</b>	
<b>Carried/Lost</b>	<b>For</b>	<b>Against</b>

**18.2 Murchison Logo**

File: 4.73  
Author: Bill Boehm – Chief Executive Officer  
Interest Declared: No interest to disclose  
Date: 21 February 2020  
Attachments: 18.2.1 Proof Murchison Shire Logo and Brand Development

Background

Following input from the community at the March 2018 Council Meeting, Council adopted a new tag line for the Shire of Murchison namely ***Ancient Land Under Brilliant Skies***. This reflects the beautiful part of the country in which we are fortunate to be based.

Since this time, Cr Emma Foulkes-Taylor and Frances Jones have been working with Perth based graphic designers Identity Perth to assist in the development of a logo and overall brand. Various concepts have been developed with a significant amount of work being undertaken with the attached Proof 6 being the latest and final draft which is being recommended by Cr Emma Foulkes-Taylor, Frances Jones and I.

Matters for Consideration

A final new Council logo is presented for consideration and adoption. Details of the final proof which includes a summary and rationale behind the of the significant amount of background work that has been undertaken is attached.



An overall graphic representation of the way the municipality will be branded and summary explanation of this is shown as follows:

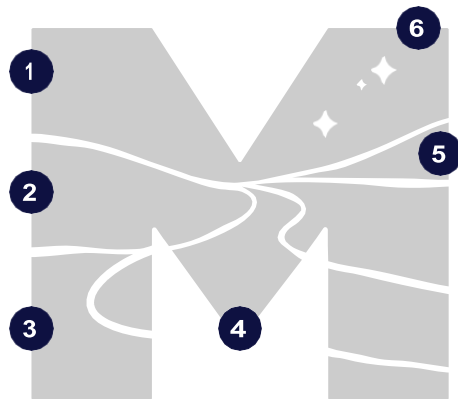


# murchisonshire

*Ancient land under brilliant skies*

## ILLUSTRATIONS

1. Nights Sky
2. Green Foliage
3. Red Rocks
4. Murchison River
5. Low Clouds
6. Brilliant Stars



## TYPOGRAPHY

The strong, bold and confident typography that has been used for the key 'M' is accented with subtle rounded edges to give it a friendly feel.

Use of lowercase for 'murchison shire' was at the request of the client, to complement existing tone of voice - friendly and approachable - and is consistent with communications already in circulation.

The tagline 'Ancient land under brilliant skies' in a hand stroked script lettering underlines the words 'murchison shire' adding strength to the name and complementing the hand drawn style of the illustration.

## COLOURS

The colour palette is inspired and taken from the vibrant spectrum of colours experienced and seen within Murchison. Used tastefully within the 'M' to create a colourful landscape. We have also drawn inspiration from the mural located in the Murchison Sports Community Centre that was said to encapsulate the *essence* of the Shire.



As shown the way the Shire will be portrayed in materials will be as the **murchisonshire** (ancient land under brilliant skies ie not as the Shire of Murchison).

This is not in itself unusual. There are many companies or entities who may trade under different names, eg BHP instead of Broken Hill Propriety Company Limited, WALGA instead of the Western Australian Local Government Association, Tatiara District Council instead of District Council of Tatiara in South Australia and Roxby Council instead of Municipality of Roxby Downs, also in South Australia.

In local government terms it is not necessarily an issue to have a different trading name, and as it stands now our registered trading name is Murchison Shire Council, but the legal name always remains that which we were given by statute. Ie the Shire of Murchison.

The names as currently practiced are interchangeable and at this stage whilst we could drop the term "Council" from the current trading name it is not a pressing issue and something we could explore administratively at some future date if required.

Statutory Environment

Local Government Act 1995

Strategic Implications

Nil.

A modern logo that better represents the Murchison is in keeping with the overall Shire of Murchison Vision Statement are articulated in Shire of Murchison Council Community Strategic Plan; namely

***"Working together to preserve the unique character of the Shire, supporting diverse and sustainable lifestyle and economic opportunities."***

Policy Implications

Nil

Financial Implications

There will be some minor transition costs. Most of the changes required will be through administrative changes undertaken by staff. Any physical changes to any old signs or applications could be undertaken when the asset or item is being replaced although in some situations such as main entrance signs and early sign replacement might be desired.

**Recommendation**

That Council adopts the "M" logo and associated **murchisonshire** "ancient land under brilliant skies" as outlined in the report and attachment as Council's Logo and our nomenclature (naming convention)

Voting Requirements

Simple Majority

<b>Council Decision</b>		
<b>Moved: Cr</b>	<b>Seconded: Cr</b>	
<b>Carried/Lost</b>	<b>For</b>	<b>Against</b>

### 18.3 March 2020 WALGA State Council Meeting Decision Items

File: 4.6  
Author: Bill Boehm – Chief Executive Officer  
Interest Declared: No interest to disclose  
Date: 21 February 2020  
Attachments: 18.3.1 Extract WALGA State Council Agenda 4 March 2020

#### Background

Following the review of WALGA State Council and Zone processes last year, the WALGA State Council resolved to implement some changes to the agenda process. A key outcome of the review is to make the State Council agenda shorter, sharper, and more forward-looking with the aim of engendering greater engagement with the agenda by WALGA's members. It has also been resolved to cease the hard copy production of the State Council agenda.

The agenda has been distributed electronically to all CEO's and Elected Members.

A further outcome of the review is to request Chief Executive Officers to implement a process whereby State Council agenda items for decision are considered by Councils, either in formal Council meetings, or in briefing or concept forums. It would be beneficial for State Council agenda items for decision to be considered by Council in a formal or informal meeting to provide guidance and direction to their Zone representatives and to raise awareness of contemporary strategic advocacy and policy issues for all Elected Members and staff.

#### Matter for Consideration

In the March 2020 WALGA Meeting Agenda, there are three items for decision to consider as attached

#### Comments

It is for Council to form a view regarding each item or alternatively delegate the decision to the State Council Delegate.

#### Statutory Environment

Local Government Act 1995

#### Strategic Implications, Policy Implications and Financial Implications

Nil

#### **Recommendation**

It is for Council to form a view regarding each item or alternatively delegate the decision to the State Council Delegate.

#### Voting Requirements

Simple Majority

<b>Council Decision</b>		
<b>Moved: Cr</b>	<b>Seconded: Cr</b>	
<b>Carried/Lost</b>	<b>For</b>	<b>Against</b>

## 18.4 2018/19 Annual Report

File: 1.2  
Author: Bill Boehm – Chief Executive Officer  
Interest Declared: No interest to disclose  
Date: 21 February 2020  
Attachments: 18.4.1 2018/19 Annual Report

### Background

Local Government is to prepare an Annual Report for each financial year containing information including but not limited to a report from the mayor or president, a report from the CEO, an overview of the plan for the future, the financial report for the financial year, information as may be prescribed in relation to payments to employees, the auditor's report for the financial year, information regarding Disability access and inclusion and details in the register of complaints. The Annual Report is to be the first item considered at the Annual General Meeting of Electors.

### Matter for Consideration

The Annual Report for the 2018/19 financial year is presented for consideration by the Council. In accordance with s5.55 of the *Local Government Act 1995* the Annual Report will be made available to the public after it is accepted by Council.

### Comments

As indicated at the November 2019 Council Meeting Councils Auditors attended the Council Office on 2 December 2019. The finalisation of the Audited Financials by Councils Auditors and the Auditors Report is about to be finalised as outlined under items 14.1 and 16.4.

Under the *Local Government Act 1995*, The Annual Report must be accepted by the Council by 31 December unless the Auditors Report is not available in time for this to be included in the Annual Report and hence adopted within this deadline.

Notwithstanding the above the balance of the Annual Report has been finalised and a draft was sent out to councillors as pre reading prior to Christmas 2019 and feedback obtained and included in the document as attached. This year we have taken the opportunity in the Annual Report to reveal the compliance and financial requirements dictated by legislation but to also expand other relevant information by highlighting a bit of a background and a small summary of achievements. The Audited Financials by Councils Auditors and the Auditors Report will need to be added once the Audit Committee has reviewed the financials.

The audited report, once adopted by Council, will be included in the Annual Report 2018-19 for presentation at the Annual Meeting of Electors to be held within 56 days of the adoption of the report. The suggested date proposed is in on the day of the next ordinary meeting of Council. Accordingly, the proposed time and date of the meeting is at 2pm on Thursday 26 March 2020.

### Statutory Environment

#### 5.53 Annual reports

- (1) *The local government is to prepare an annual report for each financial year.*
- (2) *The annual report is to contain —*
  - (a) *a report from the mayor or president; and*
  - (b) *a report from the CEO; and*
  - (c) *an overview of the plan for the future of the district made in accordance with section 5.56, including major initiatives that are proposed to commence or to continue in the next financial year; and*
  - (d) *the financial report for the financial year; and*
  - (e) *such information as may be prescribed in relation to the payments made to employees; and*
  - (f) *the auditor's report for the financial year; and*
  - (ga) *a matter on which a report must be made under section 29(2) of the Disability Services Act 1993; and*
  - (gb) *details of entries made under section 5.121 during the financial year in the register of complaints, including —*
    - (i) *the number of complaints recorded in the register of complaints; and*

- (ii) how the recorded complaints were dealt with; and
- (iii) any other details that the regulations may require; and
- (i) such other information as may be prescribed

5.54. Acceptance of annual reports

- (1) Subject to subsection (2), the annual report for a financial year is to be accepted\* by the local government no later than 31 December after that financial year.  
\* Absolute majority required.
- (2) If the auditor's report is not available in time for the annual report for a financial year to be accepted by 31 December after that financial year, the annual report is to be accepted by the local government no later than 2 months after the auditor's report becomes available.

5.55 Notice of annual reports

The CEO is to give local public notice of the availability of the annual report as soon as practicable after the report has been accepted by the local government.

5.27 Electors' general meetings

- (1) A general meeting of the electors of a district is to be held once every financial year.
- (2) A general meeting is to be held on a day selected by the local government but not more than 56 days after the local government accepts the annual report for the previous financial year.
- (3) The matters to be discussed at general electors' meetings are to be those prescribed.

5.29 Convening electors' meetings

- (1) The CEO is to convene an electors' meeting by giving —
  - (a) at least 14 days' local public notice; and
  - (b) each council member at least 14 days' notice, of the date, time, place and purpose of the meeting.

Strategic Implications

This is a statutory function.

Policy Implications

Nil

Financial Implications

Nil

Consultation

Moore Stephens. RSM .

**Recommendation**

That Council

- 1 accepts the Annual Report for 2018/19 and
- 2 that the Electors Annual General meeting be held at 2pm on the 26 March 2020.

Voting Requirements

Absolute Majority

<b>Council Decision</b>		
<b>Moved: Cr</b>	<b>Seconded: Cr</b>	
<b>Carried/Lost</b>	<b>For</b>	<b>Against</b>

## 18.5 Purchasing Policy

File:	4.40
Author:	Bill Boehm – Chief Executive Officer
Interest Declared:	No interest to disclose
Date	21 February 2020
Attachments:	18.5.1 Proposed Murchison Shire Purchasing Policy (Revision 5) (Draft) 18.5.2 Existing Murchison Shire Purchasing Policy (Revision 4)

### Matter for Consideration

Council to consider adopting Revision 5 of the Murchison Shire's Purchasing Policy.

### Background

In May 2016, Council adopted the Shire of Murchison Purchasing Policy (Revision 3). The objective of the policy is to provide compliance with the *Local Government Act 1995* (LGA) and the *Local Government (Functions and General) Regulations 1996 (Regulations)* and to deliver a best practice approach and procedures to purchasing for the Local Government. This followed on Revision 2 of the Policy which then incorporated changes to the *Regulations* since it was first adopted in 2011:

In February 2017 the Policy was reviewed and changes made, predominately at the lower end of the Purchasing Thresholds as per the following summary; mainly on the basis that the Shire was losing credibility requesting quotes for the lower end of the \$1,000 to \$19,999 range and that a change to the thresholds as shown below, would be more reasonable to manage:

Purchasing Thresholds (ex GST)		Purchasing Requirements (Summary)
Revision 3	Revision 4	
Up to and incl \$999	Up to and incl \$4,999	At least one verbal price should be obtained and the purchase should represent value for money. An official Purchase Order should be raised for all such purchases, unless a credit card has been used to pay for the goods or services. Details of the price obtained must be kept for record keeping purposes. Goods & Services purchased in this category should be market tested on an annual basis.
\$1,000 to \$19,999	\$5,000 to \$19,999	Obtain at least three (3) verbal or written quotations (eg email, fax or original copy). Where this is not practical, e.g. due to limited suppliers, it must be noted through records relating to the process. Written notes detailing each verbal quotation must be recorded. OR Obtain quotations directly from a pre-qualified panel of suppliers which include WALGA Preferred Supply Contracts. It is recommended that wherever possible, the Local Government source multiple competitive quotations (at least three Preferred Suppliers) using a simple quotation process either through eQuotes or directly in writing. An official Purchase Order should be raised for all such purchases, unless a credit card has been used to pay for the goods or services.

### Comments

At the time of the review, other than at the bottom end of purchases no material change occurred.

Since this time there has been significant more experience and learnings gained with respect to the use of WALGA's Preferred Supply Contracts, and the creation of three Local Panels through a formal tender process. (Roadworks, Concrete and Trades).

As illustrated below the latter two received minimal response and cover only three (3) trades

<b>Panel</b>	<b>Responses</b>	<b>Acceptances</b>
Roadworks	11	6
Concrete	1	1
Trades	4	4

3 electrical. 1 gas & plumbing

It arguable that for the expenses concerned in putting the Concrete and Trades Panels out to tender through WALGA, the result has been disappointing but perhaps reflective of our remote circumstances.

The Council uses a large number of trades, services, goods and merchandise. To the best of my knowledge of the 5 local suppliers, 4 are included in the above. Prior to this exercise Council would have used a quotation system and likely had a similar response rate as most suppliers are sourced from Geraldton or Perth. The expansion of WALGA's Preferred Supply Contract Panel has also improved the situation; such that it is on reflection likely that the Roads Panel and the associated expenses to Council and tenderers and may have been avoided.

This past experience reinforces the logical view that the remote nature of our location means that invariably we will always have minimal choice, especially at the lower end of the purchasing scale and unless the potential contract value is significant most suppliers at a small scale will not respond; meaning it is and will be in the future difficult to comply with the current minimum requirement to obtain 3 quotations despite bests endeavours. This also adds administrative costs that could be avoided, especially for a small Shire such as ours.

As a general view, apart from an ethical approach which will always be taken the current policy and that contained within a WALGA Template established on the subject is geared to "seeking" not "obtaining" 3 quotes to demonstrate value for money. An alternative approach would be to benchmark prices, especially at the lower end of the scale, noting that at any time full quotations could be undertaken if required.

To balance the "pragmatic" based on our circumstances with the desire for "accountability and transparency," attached is Proposed Murchison Shire Purchasing Policy (Revision 5) and for comparative purposes the existing Murchison Shire Purchasing Policy (Revision 4) is also attached.

Major points to note in the revised policy include the following:

- The revised document has been based on the latest WALGA Purchasing Policy Template which is up to date in governance terms but also provides a raft of options and choices. In this it is required to "seek" not "obtain" a certain number of quotations.
- In various sections formal recognition of our remote location is addressed
- At the lower and higher end of the Table of Purchasing Thresholds and Practices (1.4.3) there has been minimal change from the WALGA template which is similar to our current policy.
- Under 1.4.1 (Policy Purchasing Value Definition) where there is no existing contract arrangement, the Purchasing Value will be the estimated total expenditure for a category of goods, services or works over
  - ~ a one (1) year period for situations such as the normal adhoc subcontract engagement that currently occurs with no guarantee of ongoing work from one year to year
  - ~ a five (5) year period where the supply a high risk of change to technology specification, availability or the Shire's requirements such as rare cases like the maintenance and support of a Local Government Specialised IT system.
- Rather than seeking 3 quotes between purchases of \$5,000 and \$150,000 respectively, as per WALGA template or obtaining 3 quotes as per our current policy, the Table has been amended, with appropriate recording requirements, to at a minimum seek 2 verbal or written quotations up to \$50,000 value and thereafter 2 written quotations to the \$150,000 threshold. This is a direct result of our remote location; hence the references included in sections of the policy.
- WALGA's template provides for potential variations (subject to Council discretion and decision) when Purchasing from Disability Enterprises (2.1), Aboriginal Businesses (2.2) and from Environmentally Sustainable Businesses (2.3). This inclusion is optional and can be left or removed.

Notwithstanding the above it will be essential to maintain appropriate records to demonstrate that every endeavour was made to achieve best value.

Statutory Environment

Local Government Act 1995 s 3.57

Local Government (Functions and General) Regulations 1996 Part 4 Provision of Goods & Services

Local Government (Rules of Conduct) Regulations 2007

Strategic Implications

Shire of Murchison Council Community Strategic Plan

Civic Leadership Objective 4

*To provide Good Governance to the Murchison Shire through:*

- ~ High levels of accountability
- ~ Compliance with statutory requirements

Strategies - Financial Planning and Management

*To responsibly manage Council's financial resources to ensure optimum value for money and sustainable asset management.*

Sustainability Implications

Environmental      There are no known significant environmental considerations

Economic            There are no known significant economic considerations

Social                There are no known significant social considerations

Policy Implications

Amendment of the Shire of Murchison Purchasing Policy if proposed changes are adopted.

Financial Implications

Nil

Consultation

Nil

**Recommendation**

*Note Council needs to determine whether to include or exclude Purchasing from Disability Enterprises (2.1), Aboriginal Businesses (2.2) and / or Environmentally Sustainable Businesses (2.3) prior considering the following recommendation.*

That Council adopt the Shire of Murchison Purchasing Policy (Revision 5) as attached.

Voting Requirements

Simple Majority

<b>Council Decision</b>		
<b>Moved: Cr</b>	<b>Seconded: Cr</b>	
<b>Carried/Lost</b>	<b>For</b>	<b>Against</b>



## 18.6 Local Government House Trust – Deed of Variation

File: 4.7  
Author: Bill Boehm – Chief Executive Officer  
Interest Declared: No interest to disclose  
Date: 21 February 2020  
Attachments: 18.6.1 Local Government House Trust Deed of Variation Information

### Matter for Consideration

Nick Sloan, Chief Executive Officer of WALGA has written seeking Council's consent by formal resolution to a variation to the Trust Deed for the Local Government House Trust (The Trust). This item addresses this request.

### WALGA Explanation

The Shire is a unit holder and beneficiary to the Local Government House Trust, holding 1 unit/s as advised in WALGA's recent Quarterly Report Q4 2019. The Trust's Board of Management is seeking to vary the Trust Deed in order to assist the Trust's income tax exempt status. As stipulated by the Deed, the Trust requires consent of at least 75 per cent of all beneficiaries in order to execute this variation.

As a beneficiary, the Shire is requested to consent to the enclosed Deed of Variation supported by a resolution of Council; and to communicate this consent in writing. WALGA is requesting consent for the Trustee to formally execute the attached Deed of Variation but we are not required to sign the enclosed document.

Further details on the particular Deed Variations and objectives to be achieved by this variation are outlined below.

### Background

The Local Government House Trust ("The Trust") exists primarily to provide building accommodation for the Western Australian Local Government Association. Since January 2014, the Trust has provided WALGA with accommodation at 170 Railway Parade West Leederville.

The current trust deed commenced in 1993 and was amended in 2002 to reflect the merger of the metropolitan and country associations into WALGA. The current Trust Deed pronounces WALGA as Trustee and unit holders as Beneficiaries, with the Trustee holding property and associated monies "upon Trust" and in proportion to the units provided.

Commencement date of the current deed is 17 February 1993, with a vesting date 79 years from commencement - which means that the Trust ends in 2072.

The Trust is exempt from income tax on the basis of being a State / Territory Body (STB) pursuant to *Division 1AB of the Income Tax Assessment Act 1936*.

### Trust Deed Variation

Trust Deed amendments set out in the Deed of Variation are based on legal advice and are intended to assist the Trust's income tax exempt status by strengthening the position that the Trust is a State / Territory Body (STB).

Legal advice identified that the Trustee's ability to retire and appoint a new Trustee might affect the Trust's classification as a State or Territory Body (STB). This view, while based upon highly technical grounds, is a risk nonetheless.

Subsequently the Deed of Variation aims to strengthen the position that the Trust is a STB through the following amendments:

- removing the existing Trustee's power to retire and appoint a new Trustee (Clause 2.1 and 2.2 (22.3) of the Deed of Variation)

- enabling the beneficiaries to appoint and remove a Trustee (Clause 2.2 (22.4) of the Deed of Variation), and
- ensuring that the Board of Management is the 'governing body' of the Trust (Clause 2.3 of the Deed of Variation)

The three proposed amendments when applied to the relevant clauses inserted by the Deed of Variation dated 5 June 2002 are outlined in the attachment and contained within the recommendation.

The first two amendments outlined above remove powers granted to the Trustee in the 2002 Deed Variation resulting from the merger to a single Association representing WA Local Governments. These amendments which previously facilitated the transfer of trusteeship to the then new Western Australian Local Government Association are removed, but with the clarification that any appointment must be with the consent of the beneficiaries.

The final amendment intends to confirm that power rests with the Board of Management. As the Board of Management comprises Local Governments, this satisfies the requirements of a STB for tax purposes. This amendment reflects the actual operation of the Trustee in implementing the decisions of the Board of Management whilst retaining sufficient operational discretion to place and renew investments and pay suppliers.

#### Comment

WALGA advises that these amendments provide greater power to beneficiaries through the Board of Management, and as such it is anticipated they will be considered acceptable. It is difficult to question WALGA's legal advice which has identified that the Trustee's ability to retire and appoint a new Trustee might affect the Trust's classification as a State or Territory Body (STB). This view, while based upon highly technical grounds, is a risk nonetheless.

On this basis the amendments proposed seem reasonable

#### Statutory Environment

*Local Government Act 1995*

#### Strategic Implications

Shire of Murchison Council Community Strategic Plan

Civic Leadership Objective 4

*To provide Good Governance to the Murchison Shire through:*

*~ Regional collaboration where possible*

#### Sustainability Implications

Environmental      There are no known significant environmental considerations

Economic            There are no known significant economic considerations

Social                There are no known significant social considerations

#### Policy Implications

Nil

#### Financial Implications

Nil

#### Consultation

Nil

#### **Recommendation**

That Council consent to WALGA's request to a variation to the Trust Deed for the Local Government House Trust (The Trust) as outlined in the Agenda Report and email from Nick Sloan Chief Executive Officer. The three proposed amendments when applied to the relevant clauses inserted by the Deed of Variation dated 5 June 2002 will subsequently read as follows

1 Variation 2.1 amends clause 22.1 to point to additional clause:

22.1 Any Trustee of the Trust may retire as Trustee of the Trust. Subject to clause 22.3, the right to appoint any new or additional trustee or trustees of the Trust is hereby vested in the retiring or continuing trustee. A corporation or incorporated association may be appointed as Trustee of the Trust.

2 Variation 2.2 inserts two new clauses:

22.3 The retiring or continuing trustee shall only be entitled to appoint any new or additional trustee of the Trust with the consent of not less than 75% of the Beneficiaries.

22.4 The Beneficiaries may at any time by Special Resolution:

- (a) remove a Trustee from the office as Trustee of the Trust; and
- (b) appoint such new or additional Trustee.

3 Variation 2.3 insert a new clause 13A

**13A Delegation to the Board of Management**

Unless the Beneficiaries otherwise direct (such direction to be given by not less than 75% of the Beneficiaries), the Trustees shall delegate all of the powers authorities and discretions contained in subclauses (a) to (x) of clause 12 to the Board of Management. The Trustees shall, at the direction of the Board of Management, do such things as may be necessary to give effect to the exercise of a power, authority or discretion by the Board of Management.

Voting Requirements

Simple Majority

<b>Council Decision</b>		
<b>Moved: Cr</b>	<b>Seconded: Cr</b>	
<b>Carried/Lost</b>	<b>For</b>	<b>Against</b>

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**19 NOTICE OF MOTION**

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## 20 CEO ACTIVITY REPORT

File:  
Author: Bill Boehm – Chief Executive Officer  
Interest Declared: No interest to disclose  
Date: 21 February 2020  
Attachments: Nil

### General

Since early 2019 there has been a significant amount of resourcing issues following the changeover from the previous CEO such that in various aspects there has been some delays especially with respect to reporting on financials, finalising audit reports and rates etc. The early part of 2020 has seen many of these issues addressed as indicated in a raft of items contained within this agenda.

Also as indicated in the activities below and elsewhere in the Council Agenda a significant amount of activity prior to and during the reporting period has been undertaken especially with respect to a review and consideration of a strategic approach to the management of Councils Road Network and Plant and Equipment.

Addressing these aspects augurs well for 2020.

### Activities since last Meeting

Date	Activity
11.12.2019	Work on Agenda. Bush Fire Brigade Agenda. Finalise Fraud Auditors Questionnaire. Flood 6 DFES response. RFQ Flood 6 Superintendent. Roadhouse Fuel Template
12.12.2019 to 13.12.2020	Policy Manual Review. Meeting with Works Supervisor. Sign & Seal Adaman Resource Agreement with Cr Whitmarsh. Meetings with DCEO. Flood 6 Spreadsheet
14.12.2019	Council Meeting. Bushfire Brigade Meeting. Official Opening Murchison Fire Shed
15.12.2020 to 16.12.2019	Work on Council Minutes and Rossco's Rundown. Review and refine Fuel Template. Follow up Council Meeting Actions. Meeting with Works Supervisor over Power Genset Specifications
17.12.2019	Review and refine Fuel Template. Work on Reseal Program Template. Follow Up actions from Council Meeting
18.12.2019 to 19.12.2019	Work on BBRF Application for Mike Track. Finalise and send BBRF Application for bike track. Work on logo and staff member farewell newsletter
20.12.2019	Finalise and send BBRF Application for bike track. Work on logo. Tidy up emails office ahead of break. Meeting with Works Supervisor.
21.12.2019 to 5.01.2020	Annual Leave and Public Holidays
6.01.2020 to 7.01.2020	Return to Work via depot catchup. Emails catch up. Work on Cash Analysis Finalise Work on Cash Analysis. Discuss with Cr Emma Foulkes-Taylor logo and branding and provide guidance to Identity Perth over logo development. Start Main Roads 2030 background work
8.01.2020 to 11.01.2020	Plant & Plant Replacement Program Analysis. Follow up Logo Branding with Identity Perth. Telephone update with Shire President. Work on Murchison Roads Review
13.01.2020	Undertake Carnarvon-Mullewa Rd and Pinegrove-Yallalong Rd Inspection with Works Supervisor.
14.01.2020	Check roads data. Work on Plant replacement program with Works Supervisor and Roads sealing tender specifications with Josh Kirk at Greenfields
15.01.2020	Work on Murchison Roads Review and Plant replacement program. Amend and lodge RTR Program additions. Oversee opening of Genset quotes. Discuss with Ian Duncan at WALGA road operational responsibilities and native vegetation clearance. Seek update on Main Roads WA listing of Council's Road data base.

<b>Date</b>	<b>Activity</b>
16.01.2020	Clarify RTR Program queries. Check and include MRWA Roads List into the Murchison Roads Review. Discussion with Cr Emma Foulkes-Taylor regarding logo and Mid-West Development Commission Meeting clashes.
17.01.2020 to 24.11.2020	TOIL. Travel to Geraldton for car service. Catch up with Identity Perth and finalise RTR Annual Report.
28.01.2020	Catch up and follow up emails. Reset Council Chamber for training session. Follow up emails of logo. Catchup with Works Supervisor. Take Photos of Murchison River @ Meeberrie-Wooleen Rd
29.01.2020	Meet with WALGA Trainer Gary Clark and prepare additional material for and Understanding Financial Budgets Training Workshop
30.01.2020	Participate in WALGA Understanding Financial Budgets Training with Trainer Gary Clark. Attend Brief Councillor Workshop. Provide instruction to Identity Perth with respect to logo
31.01.2020	Work on Roads 2030 submission.
1.02.2020	Telephone catchup with Shire President. Meeting with Works Supervisor. Work on Roads 2030 Submission and Report. Trial rearrangement of Council Chamber. Attend Settlement Power Station outage
2.02.2020	Attend Settlement Power Station outage
3.02.2020	Meeting with Works Supervisor regarding Settlement Power. Meeting with DECO and Leo Pezzotta (LGIS Insurance renewal). Finalise Plant Insurance Schedule. Work on Carnarvon -Mullewa Road Report
4.02.2020 to 5.02.2020	Finalise Carnarvon -Mullewa Road Report. Emails. Work on Murchison Roads Review Report and Council Agenda Preparation
6.02.2020	Travel to and from Geraldton to facilitate repair of Works Supervisors vehicle. With Works Supervisor meet Kim Ingle and Bernie Miller Main Roads WA.
7.02.2020	Update various Roads Reports and 203 Roads Submission
10.02.2020	Work on general update of timesheet and Council Agenda reports
11.02.2020 to 13.02.2020	Work on Council Agenda Reports and meeting with Works Supervisor on appropriate roads status. Work on update of purchasing policy and Roads Reports
17.02.2020	Finalise and send Roads 2030 Review Submissions. Council Agenda & Reports
18.02.2020	Open tenders Sealing & Flood Superintendent with Woks Supervisor and Technical Officer. Update Annual Report. Council Agenda & Reports. Work on Flood Superintendent Tender Analysis
19.02.2020	Council Agenda & Reports. Work on Flood Superintendent and Reseal Tender Analysis. View Murchison River in flood @ Meeberrie-Wooleen Road
20.02.2020 to 24.02.2020	Council Agenda & Reports. Work on Flood Superintendent and Reseal Tender Analysis and Flood Event Information in part with the Works Supervisors Report. View Murchison River in flood @ Twin Peaks-Wooleen Rd and Carnarvon- Mullewa Rd

### **Recommendation**

That the CEO's Activity Report be accepted.

### Voting Requirements

Simple Majority

<b>Council Decision</b>		
<b>Moved: Cr</b>	<b>Seconded: Cr</b>	
<b>Carried/Lost</b>	<b>For</b>	<b>Against</b>

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## 21 URGENT BUSINESS

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As outlined under Item 14.1 Audit Committee Recommendations will be provided following deliberations of the Audit Committee Meeting scheduled for 11:00am on Thursday 27 February 2020 prior to the Council Meeting. Item 16.4 (Financial Report 2019) and Item 18.4 (2018/19 Annual Report) can only be addressed following consideration of the Audit Committee Recommendations

As a result of expected delays with respect to finalisation of Councils Annual Financials the following items whilst having been reported on elsewhere in the Agenda, have been identified for consideration as Urgent Business.

### 21.1 Audit Committee Meeting Recommendation

### 21.2 Financial Report 2019

### 21.3 2018/19 Annual Report

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## 22 ITEMS TO BE DISCUSSED BEHIND CLOSED DOORS

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Discuss the following items Pursuant to LGA s5.23(2)(c) and s5.23(2)(e) Council is to discuss the following items behind closed doors

#### 22.1 Sealing Works

Consideration of eQuotes for the 2019/20 Sealing Program for the Design, Supply, Spray and Cover Bitumen Sealing including Seal Design and Aggregate Supply

#### 22.2 Flood 6 Superintendent

Consideration of eQuotes for the provision of Administrative and Engineering Supervision for Flood 6 – DRFAWA-AGRN 863

### Recommendation

That the meeting moves behind closed doors to discuss an item pursuant to LGA s.5.23(2)(c) relating to the following items:

#### 22.1 Sealing Works

#### 22.2 Flood 6 Superintendent

### Voting Requirements

Absolute Majority

<b>Council Decision</b>		
<b>Moved: Cr</b>	<b>Seconded: Cr</b>	
<b>Carried/Lost</b>	<b>For</b>	<b>Against</b>

*Meeting was closed to the public at.*

### Motion to open the meeting to the public

### Recommendation

That the meeting moves out from behind closed doors.

Voting Requirements

Absolute Majority

<b>Council Decision</b>		
Moved: Cr	Seconded: Cr	
Carried/Lost	For	Against

*Meeting was reopened to the public at.*

**Decisions Disclosed from Closed Section of Meeting**

**22.1 Sealing Works**

Voting Requirements

Simple Majority

<b>Council Decision</b>		
Moved: Cr	Seconded: Cr	
Carried/Lost	For	Against

**22.2 Flood 6 Superintendent**

Voting Requirements

Simple Majority

<b>Council Decision</b>		
Moved: Cr	Seconded: Cr	
Carried/Lost	For	Against

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**23 MEETING CLOSURE**

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*The Shire President closed the meeting at.*