

# SHIRE OF SHARK BAY MINUTES

12 FEBRUARY 2020

## Special Council Meeting



SHARK BAY DUGONG



12 FEBRUARY 2020



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# MINUTES OF THE SPECIAL COUNCIL MEETING

12 FEBRUARY 2020

The minutes of the Special meeting of the Shark Bay Shire Council held in the Council Chamber at the Shark Bay Recreation Centre, Francis Street, Denham, on Wednesday 12 February 2020, commencing at 1.17 pm.

**PURPOSE** I advise that a special meeting of Council is called in accordance with Section 5.4 (a), (i) of the Local Government Act 1995, to discuss and consider the following reports:

- 1.** Denham Family Day Care – Proposed New Building and Location
- 2.** Cyclone Pickup;
- 3.** Road Grants and Expenditure; and
- 4.** Brockman Street Upgrade Tenders (Confidential Matter).

## Table of Contents

<b>1.0</b>	<b>Declaration Of Opening .....</b>	<b>3</b>
<b>2.0</b>	<b>Attendances and Apologies .....</b>	<b>3</b>
<b>3.0</b>	<b>Public Question Time .....</b>	<b>3</b>
<b>4.0</b>	<b>Denham Family Day Care – Proposed New Building and Location .....</b>	<b>4</b>
<b>5.0</b>	<b>Cyclone Pickup.....</b>	<b>11</b>
<b>6.0</b>	<b>Road Grants and Expenditure .....</b>	<b>16</b>
<b>7.0</b>	<b>Brockman Street Upgrade .....</b>	<b>21</b>
<b>8.0</b>	<b>Closure of Meeting .....</b>	<b>22</b>

# MINUTES OF THE SPECIAL COUNCIL MEETING

12 FEBRUARY 2020

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## **1.0 DECLARATION OF OPENING**

The President declared the Special Council meeting open at 1.17 pm.

## **2.0 ATTENDANCES AND APOLOGIES**

### ATTENDANCES

Cr C Cowell	President
Cr E Fenny	Deputy President
Cr L Bellottie	
Cr G Ridgley	
Cr M Smith	
Cr P Stubberfield	

Mr P Anderson	Chief Executive Officer
Ms A Pears	Executive Manager Finance and Administration
Ms D Wilkes	Executive Manager Community Development
Mr B Galvin	Works Manager
Ms K Knott	EA Assistant

### APOLOGIES

Cr J Burton

### VISITORS

Nil

## **3.0 PUBLIC QUESTION TIME**

The President opened public question time at 1.20pm.

As there were no visitors in the Gallery, the President closed public question time at 1.20pm.

12 FEBRUARY 2020

**4.0 DENHAM FAMILY DAY CARE – PROPOSED NEW BUILDING AND LOCATION**  
RES36163

AUTHOR

Executive Manager Community Development

DISCLOSURE OF ANY INTEREST

Nil

Moved            Cr Stubberfield  
Seconded       Cr Cowell

**Council Resolution**

**1. The Council approve the preferred location of the proposed Denham Family Day Care facility on Reserve 36163 Lot 501, near the Shark Bay Recreation Centre.**

**2. The Council approve a tender process be undertaken for the design and construction of the proposed new Denham Family Day Care facility, as per Ngala operational requirements. Once completed the tenders will be presented to Council for consideration in accordance with the Local Government (Functions and General) Regulations 1996.**

**6/0 CARRIED**

BACKGROUND

Family Day Care services in Denham are currently provided through an *In-Venue* Family Day Care delivery model, The *In-Venue* model is an accredited early childhood care/education service, and the Denham service is managed by Ngala Bright Stars which is based in Geraldton. While this model licenses a Family Day Care Educator to care for up to seven children up to thirteen years of age, only four children of preschool age can be cared for at any one time.

The 2016 ABS Census figures indicated Denham had 43 children aged 0-4 years, and this is supported by Kindy Gym (0-3 years) being the most popular program run at the Shark Bay Recreation Centre. The demand is further evidenced from enrolment figures which show there were 8 children registered for the *In-Venue* Family Day Care Services in 2019.

The service currently operates from the old hospital/CWA building on Hughes Street. This building is aged, and requires ongoing Shire provided maintenance to ensure it continues to meet the standards required to operate the service.

In early 2018 Ngala Bright Stars approached the Shire for in-kind support (provision of site works) to strengthen their funding applications for a new building. Ngala have subsequently been successful in obtaining funding from both the State and Commonwealth governments, to a total of \$300,000 (\$150,000 RED grant and \$150,000 Capital Support grant) for the purchase, installation, and fit out of a new purpose-built facility.

12 FEBRUARY 2020

COMMENT

*Location*

The Shire has been in discussion with Ngala Bright Stars to identify the most appropriate location for the new facility. 3 sites were initially identified (see attachment 1), with Option 1 (co-located with the school) initially being the preferred option. Discussions were entered into with both the local school and the Department of Education with a view to progressing this location, but correspondence was received from the Department on 13 December (see attachment 2) indicating they did not support this option.

The Shire administration then explored Options 2 and 3 in more depth and realised site and earth works costs were likely to be more than originally anticipated.

In conjunction with Ngala, site 5, on Reserve 36163 Lot 501, near the Shark Bay Recreation Centre, (see attachment 3) was then identified as the best option. As the ground was previously prepared for the construction of the Shark Bay Recreation Centre there are low site works costs associated with this site. Connection to services is relatively easy, with both water and power being readily available; an internal sub meter can be connected to the existing power supply to allow the Shire to invoice Ngala for electricity used. The proposed site can utilise the existing car parking infrastructure and provides a degree of protection from the weather and elements. The site has been assessed and the building(s) can be located so as to retain future road access to the rear of the existing Shark Bay Recreation Centre should that ever be required.

*Procurement*

Although the funding has been awarded to Ngala, as part of the funding application process, Ngala noted that the Shire would undertake the procurement process for the new building(s). Once completed the buildings would become Shire assets and the will be responsible for the ongoing maintenance of the new building(s).

Ngala have identified the specification and layout required to meet their operational needs and have now requested the Shire to undertake a tender/quotation process, based on this, to progress the project.

There are no Western Australian Local Government Association preferred suppliers who can provide the building(s), so Council is being asked to approve an open tender process for the design and construction of the new building(s).

As per the funding submissions, an in-kind contribution from the Shire for site works has already been included in the 2019/2020 budget.

*Current Day Care Building*

Once the new facility is completed and operational, an item about the operation and use of the existing building will be brought to Council for consideration.

## MINUTES OF THE SPECIAL COUNCIL MEETING

12 FEBRUARY 2020

### LEGAL IMPLICATIONS

Local Government (Functions and General) Regulations 1996

The Shire will abide by all conditions and requirements of the funding contracts.

### POLICY IMPLICATIONS

2.7 Purchasing Policy – Amounts under \$150,000

2.8 Local Price Purchasing Preference

### FINANCIAL IMPLICATIONS

Anticipated in-kind costs have been adopted as part of the 2019/2020 budget.

There is a possibility, once the tender process has closed, that final projects costs may be greater than anticipated and that Council may need to further support this project. Should this occur, the matter will be brought back to Council for consideration.

As the completed building(s) will become a Shire asset, the Shire will be responsible for the ongoing maintenance costs.

### STRATEGIC IMPLICATIONS

OUTCOME 3.1.1 Support provision of essential community services and facilities.

### RISK MANAGEMENT

The is reputational risk to Council if this project is not supported as there is a demonstrated need for new Child Care facilities in Denham.

Any financial or legal risk will be mitigated by compliance with all relevant Regulations, procurement policies, and procedures.

### VOTING REQUIREMENTS

Simple majority Required

### SIGNATURES

Author

*D Wilkes*

Chief Executive Officer

*P Anderson*

Date of Report

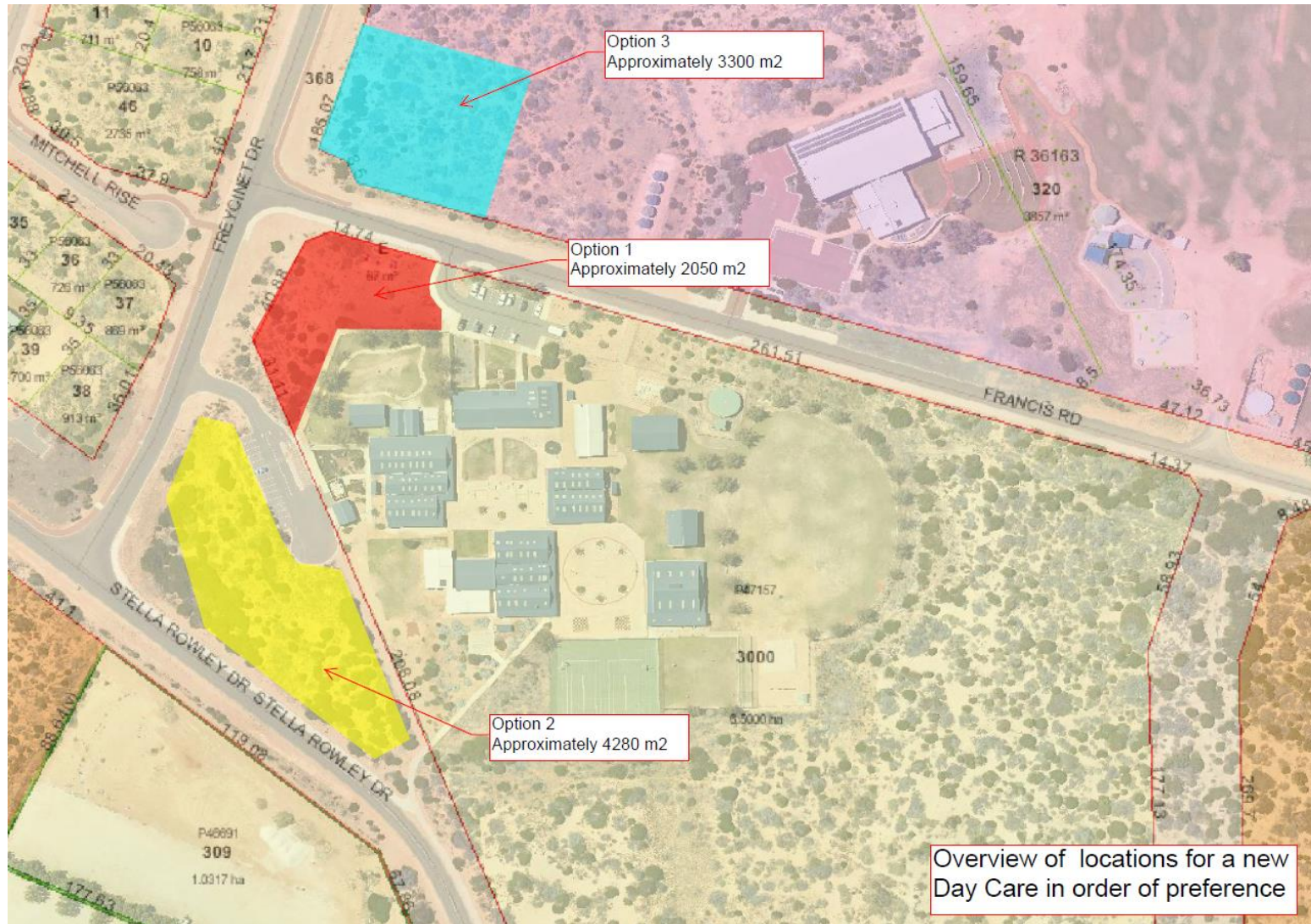
31 January 2020



MINUTES OF THE SPECIAL COUNCIL MEETING

12 FEBRUARY 2020

ATTACHMENT # 1





12 FEBRUARY 2020

**ATTACHMENT # 2**

**From:** TURNBULL Matt [Asset Planning and Services]

**Sent:** Friday, 13 December 2019 4:41 PM

**To:** [cdo@sharkbay.wa.gov.au](mailto:cdo@sharkbay.wa.gov.au)

**Cc:** FISCHER John [Infrastructure] <[John.Fischer@education.wa.edu.au](mailto:John.Fischer@education.wa.edu.au)>; ELISSEGARAY Celia [Shark Bay School] <[Celia.Elissegaray@education.wa.edu.au](mailto:Celia.Elissegaray@education.wa.edu.au)>

**Subject:** TRIM: Request from Shire to build Day Care on Shark Bay School site

Dear Paul

Thank you for the opportunity to discuss the various site options on the proposed day care centre. In consultation with the Principal of Shark Bay School, the Department's preferred option is Option 3.

The main reasons for supporting Option 3 are:

- Potential to have a separate vehicle access from the school site.
- Still within close proximity to the school site to maintain synergy but there is a degree of separation between the day care centre and school.
- Located on a more regular shaped lot and facilitate any future expansion of the day care centre should the demand increase over time.
- Operation of the day care centre is consistent to the local zoning intent of this site being for Civic and Community purposes. No scheme amendment is required.

Whilst Option 2 is not preferred it could be supported noting that:

- Operation of the day care centre on land that is currently a Local Road reserve will minimise any conflict with the school site and appears to be a larger site compared to Option 1.
- Potential for the day care centre to have its own car parking, in addition to an existing car parking.
- It would be located in a road reserve and may require a scheme amendment to facilitate the land use.

The least preferred option is Option 1 due to:

- The day care centre proposes a shared access/car parking area with the existing primary school site. The concern with such an arrangement is that there is a potential traffic conflict in terms of vehicle access and parking with each other. For instance, the length of stay for drop-off/pick-up activity for a day care centre is generally longer than a primary school and thus, this may limit the drop-off/pick up parking availability for parents of the students attending the primary school.
- The Department generally requires the operation of the proposed day care facility to have a separate on-site parking arrangement to facilitate the drop-off/pick up and for staff and visitor parking.
- The other concern is limiting easily develop land for any further development of the school site to accommodate any residential growth in the future or accommodate other educational services.

It would be appreciated if the Shire could respond to the above accordingly.

Please do not hesitate to contact me if you require any further information.

MINUTES OF THE SPECIAL COUNCIL MEETING

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12 FEBRUARY 2020

Kind regards

**Matt Turnbull**

**Manager Land and Property**

Asset Planning and Services

Department of Education

a: 151 Royal Street, East Perth WA 6004

t: 9264 5178

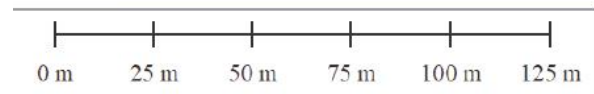
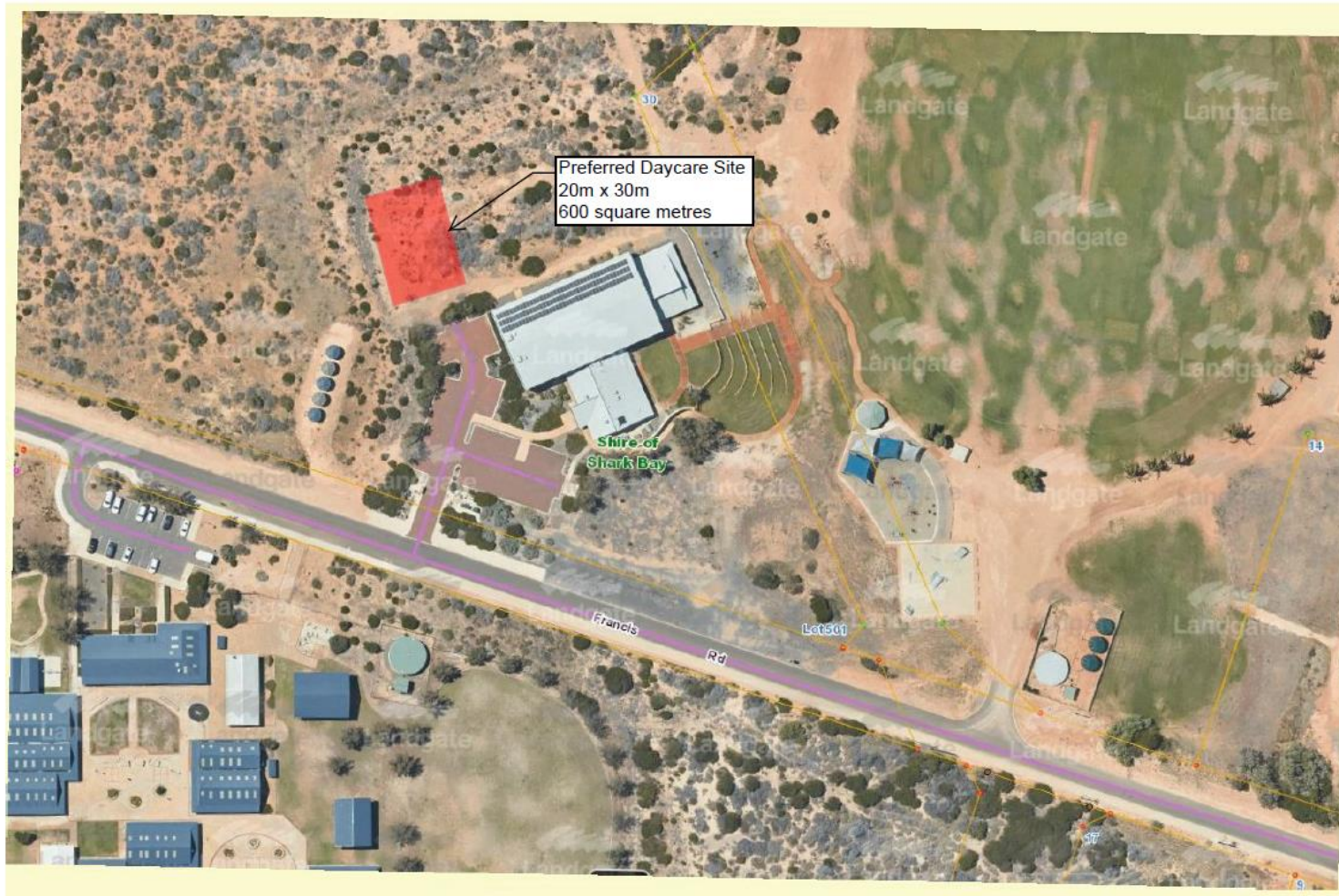
w: [education.wa.edu.au](http://education.wa.edu.au) e: [matt.turnbull@education.wa.edu.au](mailto:matt.turnbull@education.wa.edu.au)

*We're working for  
Western Australia.*

MINUTES OF THE SPECIAL COUNCIL MEETING

12 FEBRUARY 2020

ATTACHMENT # 3



12 FEBRUARY 2020

**5.0**    **CYCLONE PICKUP**  
WM00001

Author  
Works Manager

Disclosure of Any Interest  
Nil

Officer Recommendation

That Council note the costs and issues associated with the Annual Cyclone pickup and provide direction to the administration on the continuation and what format or discontinuation of this service in future years.

That the 2019/2020 charge for a refrigeration unit (gassed or degassed) to be disposed of at the Shire of Shark Bay Refuse and Recycling site be set at \$15 per unit for the remainder of the 2019/2020 financial year.

Moved            Cr Ridgley  
Seconded       Cr Bellottie

**Council Resolution**

**That the Officer Recommendation be split in two parts and Council vote on each part separately.**

**6/0 CARRIED**

Moved            Cr Ridgley  
Seconded       Cr Bellottie

**Council Resolution**

**That Council note the costs and issues associated with the Annual Cyclone pickup and provide direction to the administration on the continuation and what format or discontinuation of this service in future years.**

**6/0 CARRIED**

Moved            Cr Ridgley  
Seconded       Cr Bellottie

**Council Resolution**

**The annual Cyclone Pickup conducted in October/November be discontinued and 1 free tip pass to a maximum of 1.5 cubic metres per residential property only be issued. The tip pass to be valid for general household waste only and exclude asbestos, tyres, white goods and dangerous goods.**

**5/1 CARRIED**

12 FEBRUARY 2020

Officer Recommendation

That the 2019/2020 charge for a refrigeration unit (gassed or degassed) to be disposed of at the Shire of Shark Bay Refuse and Recycling site be set at \$15 per unit for the remainder of the 2019/2020 financial year.

**AMENDMENT TO OFFICER RECOMMENDATION:**

**Reason:** The Council considered that the cost to Council in degassing refrigeration units should not be discounted and proper certification should be provided to qualify for the reduced amount.

Moved            Cr Fenny  
Seconded       Cr Bellottie

Council Resolution

**That the 2019/2020 fees for refrigeration units remain as per current fees and charges – gassed units \$50 per unit, degassed unit \$8 per unit. Degassed Units must now be accompanied by certification by a qualified person that the unit has been degassed in order to be charged at the lower fee.**

**6/0 CARRIED**

Background

The Shire of Shark Bay conducts a cyclone pickup once a year to provide an opportunity for residents to clean up their properties of any items that may present a hazard in the event of a cyclone.

This service has been offered since 2010.

This service is not extended to the light industrial area or commercial businesses. Asbestos, tyres, batteries and putrescible (household) rubbish are not included in the cyclone pickup.

Comment

The first few cyclone pickups saw numerous items collected that would have created a potential hazard in the event of a cyclone. This was considered a great achievement and helped make the town safer.

Over the years the number of items being placed on the verge for the annual pickup that would create a hazard has diminished. Other than green waste and sheet metal the majority of items now placed on the verge are household items  
Items such as fridges, washing machines (white goods in general), indoor tables, beds, chairs, mattresses, BBQ's, concrete blocks, pot plants, et cetera and general rubbish are now being placed on the verge for pickup.

It appears that the cyclone pickup is now being used more as a junk waste verge pickup service rather than a dedicated cyclone pickup.



## MINUTES OF THE SPECIAL COUNCIL MEETING

---

12 FEBRUARY 2020

Recently it has been evident that commercial businesses are placing items on the verge to be picked up. The majority of these items would not be considered to present a hazard in a cyclone.

It must be recognised that any item once placed on the verge with council for any kind of council pickup would be under the endorsement and approval of Council in accordance with the Local Government Property Local Laws.

One of the issues identified is that fridges are being placed on the verge, gassed and with their doors still on. Fridges with their doors on present a risk as children may inadvertently get trapped inside.

Councils 2019/2020 budgeted fees and charges allows domestic users to drop off green waste at the refuse site free of charge.

Although this service is free, not all domestic users have the resources to take advantage due to lack of trailers or utes to transport green waste to the refuse site.

Over the past ten years the average cost for a cyclone pickup is \$10,800.00.

The administration is seeking direction from the Council if the Council considers the cyclone verge pick should continue or discontinued and if it is to continue under what parameters/guidelines.

The Council can consider the following:

- The need for a cyclone pickup
- Type of items being placed on the verge and the policing of the items placed on the verge
- Possible provision of a free tip pass (or passes) in lieu of a cyclone pickup
- Restricting the cyclone clean up to green waste only

Council could continue the service as a cyclone pick up or change it to a general waste pick up or cease to provide any service at all.

It is recommended that white goods in general are not accepted or that fridges are not accepted to negate the issues identified with fridges with doors on.

The Council is also currently aware of an issue with the charge and differentiation between a gassed and degassed refrigeration unit, this includes air conditioner units. the current charge for a degassed refrigeration unit is \$8.00 and \$50.00 for a gassed refrigeration unit.

This variation in cost was introduced to cover the cost to Council of having the refrigeration units properly degassed.

To reduce the probability of conjecture in regard to whether a refrigeration unit has been properly degassed it would be advisable of Council to make a standard charge for these items.

## MINUTES OF THE SPECIAL COUNCIL MEETING

---

12 FEBRUARY 2020

The administration has introduced the practice of stockpiling the gassed refrigeration units deposited at the refuse site to endeavour to reduce the cost to Council by having them degassed in bulk rather than individually.

The cost of degassing the refrigeration units dependent upon the quantity, however a charge of \$15 may cover the costs, and appear more palatable to the individuals who dispose of the items at the refuse centre this can be reviewed overtime if the Council considers a full cost recover is required.

Policing exempt items being placed on the verge is an ongoing issue. It is almost impossible to ascertain if the items placed in front of a property are from that property.

It has also been noted that items have also been placed on the verge in front of vacant properties. Determining and proving the person or persons responsible in these situations is near impossible.

Council could consider provide free tip passes in lieu of a cyclone / general waste pickup. This would be comparable to the average cost to undertake a cyclone pickup.

Free tip passes may disadvantage some members of the community due to lack of trailers or utes to transport items to the refuse site. A list of tip passes, and pricing has been included in the financial implications.

As can be seen in the financial implications over the past ten years the average cost for a cyclone pickup is \$10,800.00

### Legal Implications

There are no legal implications to this report

### Policy Implications

There are no policy implications to this report

### Financial Implications

The cyclone pickup imparts a cost to the Shire.

The cost for the previous years is listed below.

2019	\$16,911.12
2018	\$10,116.97
2017	\$9,560.28
2016	\$8,751.56
2015	\$15,905.42
2014	\$8,541.62
2013	\$11,319.46
2012	\$12,497.27
2011	\$7,941.17
2010	\$6,396.30

The cost of the service has fluctuated, however has increased over the last three years and may continue this trend while the service is used as a junk waste pickup.

## MINUTES OF THE SPECIAL COUNCIL MEETING

12 FEBRUARY 2020

Cost to supply free tip passes at current rates of \$5.50 per cubic metre  
There are currently 579 properties rated in Denham, including industrial and vacant properties.

		1 Cubic metre @5.50m3	2 Cubic metres @5.50 m3	3 Cubic metres@5.50 m3	4 Cubic metres @5.50m3
Properties	579	\$3,184.50	\$6,369.00	\$9,553.50	\$12,738.00

If residents were given tip passes for four cubic meters per annum, the total cost equates to \$12,738.00. This is comparable to the average cost to undertake a cyclone pickup but may disadvantage some members of the community. This does not include the administration cost associated with producing and managing the tip passes

A 7x5 trailer at 500mm high equates to approximately 1.5 cubic metres.  
A 6x4 trailer at 500mm high equates to approximately 1 cubic metre

### Strategic Implications

There are no strategic implications relative to this report.

### Risk Management Implications

Any item placed on the verge for any kind of council pickup would be under the endorsement and approval of council. Technically and legally these items belong to council and council is liable for any damage or accident these items incur.

Fridges with doors on present a risk as children may inadvertently get trapped inside.

This presents a high risk to Council.

### Voting Requirements

Simple Majority Required

### Signatures

Author *B Galvin*

Chief Executive Officer *P Anderson*

Date of Report 30 January 2020

12 FEBRUARY 2020

**6.0 ROAD GRANTS AND EXPENDITURE**

GS00033 / FM00005

Author

Executive Manager Finance and Administration

Disclosure of Any Interest

Disclosure of Interest: Cr Smith

Nature of Interest: Impartiality Interest as owns property on Brockman St.

Disclosure of Interest: Cr Fenny

Nature of Interest: Impartiality Interest as closely associated person owns property on Woodleigh Byro Road.

Moved Cr Bellottie

Seconded Cr Ridgley

**Council Resolution:**

**That Council**

**1. Amend the 2019/2020 budget to include the following:**

- a. **Increase Useless Loop Roads Maintenance by \$50,000 to rectify road infrastructure damage and fund via infrastructure reserve: and**
- b. **Increase the Brockman Street upgrades from \$297,245 to \$450,000 and fund the increase of \$152,755 by the infrastructure reserve; and**
- c. **Increase the Country Roads Maintenance by \$40,000 and fund from the infrastructure reserve to incorporate the Gilroyd Road grid approaches (\$20,000) and the Woodleigh Byro and Butchers Track Roads clearance of overgrowth (\$20,000).**

**6/0 CARRIED BY ABSOLUTE MAJORITY**

Background

The Shire receives funding from Federal and State Government sources to enable road upgrades and maintenance to be carried out in accordance with the Five-Year Road Capital Plan and scheduled and non-scheduled maintenance programs.

As part of the Shire's funding arrangements, and in particular, Roads to Recovery Grant funding guidelines, the Shire is required to spend a minimum amount of their own source expenditure (not funded from external sources) on either road construction or maintenance. The Roads to Recovery Grant terminology refers to the minimum amount as the Reference Amount and for the last 5 years has been \$11,879.

The historical road income and expenditure data for the last 5 years has been included for your information.

Upon review, the road expenditure exceeded the grant funding during 2015/2016, 2016/2017 and 2018/2019 resulting in own source expenditure of \$160,826, \$49,321 and \$21,851 respectively. However, during 2014/2015 and 2018/2019 grant funding exceeded the road expenditure resulting in negative results of own source expenditure of \$(146,442) and \$(185,911) respectively. This negative result did not affect our grant funding arrangements as we were above the reference amount based on a three-year average. However, our current budget and road plans identify that grant funding income will exceed our expenditure by \$177,007 and will breach the conditions of our grant funding arrangements.

MINUTES OF THE SPECIAL COUNCIL MEETING

12 FEBRUARY 2020

ROAD GRANT FUNDING AND EXPENDITURE OWN SOURCE EXPENDITURE ANALYSIS							Current Projected	Revised Projected
Details	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2019-20	
<b>General Road Grants Income</b>								
Main Roads WA Direct Grants	\$ 84,500	\$ 91,900	\$ 99,131	\$ 57,908	\$ 106,056	\$ 113,118	\$ 113,118	
Grant Commission Road Grants	\$ 422,446	\$ 418,469	\$ 414,107	\$ 456,329	\$ 469,462	\$ 486,150	\$ 486,150	
Contributions to Road Projects	\$ 12,650	\$ 8,000	\$ 8,350	\$ 8,600	\$ 8,900	\$ 9,167	\$ 9,167	
<b>Total General Road Grants</b>	<b>\$ 519,596</b>	<b>\$ 518,369</b>	<b>\$ 521,588</b>	<b>\$ 522,837</b>	<b>\$ 584,418</b>	<b>\$ 608,435</b>	<b>\$ 608,435</b>	
<b>General Road Expenditure</b>								
Footpath Construction	\$ 56,164	\$ 46,407	\$ 51,015	\$ -	\$ 46,980	\$ 50,000	\$ 50,000	
Drainage Construction	\$ 30,671	\$ 48,450	\$ -	\$ -	\$ -	\$ -	\$ -	
Town Street	\$ 10,976	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Rural Road Maintenance	\$ 47,916	\$ 68,208	\$ 96,075	\$ 73,250	\$ 48,147	\$ 146,000	\$ 186,000	
Urban Road Maintenance	\$ 86,679	\$ 107,737	\$ 141,544	\$ 181,533	\$ 149,799	\$ 96,000	\$ 96,000	
Other Road Maintenance - Crossovers	\$ 2,801	\$ 603	\$ 588	\$ 5,221	\$ 1,712	\$ -	\$ -	
Other Road Maintenance - Street and Traffic Signs	\$ 2,207	\$ 4,896	\$ 19,049	\$ 4,002	\$ 6,916	\$ 10,000	\$ 10,000	
Maintenance - Street Lights	\$ -	\$ -	\$ -	\$ -	\$ 1,695	\$ 1,500	\$ 1,500	
Other Road Maintenance - Sump Maintenance	\$ 5,078	\$ 1,936	\$ 3,989	\$ 4,792	\$ 13,129	\$ 12,500	\$ 12,500	
<b>Total General Road Expenditure</b>	<b>\$ 242,493</b>	<b>\$ 278,237</b>	<b>\$ 312,260</b>	<b>\$ 268,798</b>	<b>\$ 268,379</b>	<b>\$ 316,000</b>	<b>\$ 356,000</b>	
<b>Own Source Expenditure</b>	<b>-\$ 277,103</b>	<b>-\$ 240,132</b>	<b>-\$ 209,328</b>	<b>-\$ 254,039</b>	<b>-\$ 316,039</b>	<b>-\$ 292,435</b>	<b>-\$ 252,435</b>	
Useless Loop Road Grant Income	\$ 300,000	\$ 300,000	\$ 315,000	\$ 315,000	\$ 330,000	\$ 330,000	\$ 330,000	
Useless Loop Maintenance Expense	\$ 300,000	\$ 462,495	\$ 411,831	\$ 281,364	\$ 335,478	\$ 330,000	\$ 380,000	
<b>Own Source Expenditure</b>	<b>\$ -</b>	<b>\$ 162,495</b>	<b>\$ 96,831</b>	<b>-\$ 33,636</b>	<b>\$ 5,478</b>	<b>\$ -</b>	<b>\$ 50,000</b>	
Regional Road Group Grant Income	\$ 153,305	\$ 313,986	\$ 311,717	\$ 381,650	\$ 232,065	\$ 230,855	\$ 230,855	
Regional Road Group Expenditure	\$ 291,714	\$ 552,449	\$ 473,535	\$ 601,784	\$ 358,524	\$ 346,283	\$ 346,283	
<b>Own Source Expenditure</b>	<b>\$ 138,409</b>	<b>\$ 238,463</b>	<b>\$ 161,818</b>	<b>\$ 220,134</b>	<b>\$ 126,459</b>	<b>\$ 115,428</b>	<b>\$ 115,428</b>	
Roads to Recovery Grant Income	\$ 164,436	\$ 279,665	\$ 820,448	\$ 530,717	\$ 199,878	\$ 297,245	\$ 297,245	
Roads to Recovery Expenditure	\$ 168,567	\$ 279,665	\$ 820,448	\$ 611,510	\$ 201,048	\$ 297,245	\$ 450,000	
<b>Own Source Expenditure</b>	<b>\$ 4,131</b>	<b>\$ -</b>	<b>-\$ 0</b>	<b>\$ 80,793</b>	<b>\$ 1,170</b>	<b>\$ -</b>	<b>\$ 152,755</b>	
<b>Total Own Source Expenditure</b>	<b>-\$ 134,563</b>	<b>\$ 160,826</b>	<b>\$ 49,321</b>	<b>\$ 13,251</b>	<b>-\$ 182,932</b>	<b>-\$ 177,007</b>	<b>\$ 65,748</b>	
<b>Reference Amount for Roads To Recovery Funding</b>	<b>\$ 11,879</b>	<b>\$ 11,879</b>	<b>\$ 11,879</b>	<b>\$ 11,879</b>	<b>\$ 11,879</b>	<b>\$ 11,879</b>	<b>\$ 11,879</b>	
<b>Min Expenditure To Equal Reference Amount (Own Source Expenditure Threshold)</b>	<b>-\$ 146,442</b>	<b>\$ 148,947</b>	<b>\$ 37,442</b>	<b>\$ 1,372</b>	<b>-\$ 194,811</b>	<b>-\$ 188,886</b>	<b>\$ 53,869</b>	

Comment

As detailed above the deficit in own source expenditure is a result of the untied Grant Commission Road Grant which has not been fully allocated to road expenditure.

For your information the impact of the requested 2019/2020 budget changes have been included in the 2019/2020 revised projected calculations above.



## MINUTES OF THE SPECIAL COUNCIL MEETING

12 FEBRUARY 2020

In addition, the General Road Grant Income progressively rose from \$519,596 in 2014/2015 to \$584,418 in 2018/2019. In comparison the General Road Expenditure over this period ranged between \$242,493 to \$312,260 resulting in a deficit in own source expenditure. However, the Regional Road Group, Useless Loop Maintenance and Roads to Recovery Road Expenditure in 2015/2016, 2016/2017 and 2017/2018 exceeded the Grant Income for each of these projects ensuring the Shire met its funding conditions.

Historically our road expenditure has been based on grant funding as follows:

1. Roads to Recovery grant funding determines that capital road expenditure budget. ie 2019/2020 Grant Income of \$297,245 is matched to Roads to Recovery Expenditure of \$297,245.
2. Regional Road Group provides 2/3 funding of road capital project on the basis that the Shire pays for 1/3 of the road capital project. ie 2019/2020 Grant Income is \$230,855 and Regional Road Group Expenditure is \$346,283 inclusive of the Shire's one third being \$115,428.
3. Useless Loop Road Grant Income determines the expense maintenance budget. ie 2019/2020 Grant income is \$330,000 with a corresponding maintenance expense of \$330,000.
4. General Road Expenditure has been based on previous years expenditure and budget.

For the projects listed below to proceed we request Council's consideration to increase the 2019/2020 budget as follows:

1. The Brockman Street upgrades to be increased from \$297,245 to \$450,000 due to increases in asphalt and overall costs.
2. Useless Loop Road requires maintenance prior to the commencement of the tourism high season of \$50,000 due to an increased number of potholes occurring within the road infrastructure due to an increasing high level of use and an extremely dry season.
3. The Gilroyd Road grid approaches require maintenance to ensure proper road traffic management totalling \$20,000.
4. The batters and drains on the Woodleigh Byro Road and Butchers Track need maintenance due to surrounding flora overgrowth totalling \$20,000.

### Legal Implications

Should the Shire not adhere to the conditions of its Roads to Recovery Grant Funding, the Shire may not be eligible for further funding and will be required to make up the shortfall either in the following financial year or apportioned over the next three years. Attached is an email from Allan Chisholm regarding Roads to Recovery - If Breach of Own Source Requirements.

### Policy Implications

There are no policy implications relevant to this report.

## MINUTES OF THE SPECIAL COUNCIL MEETING

12 FEBRUARY 2020

### Financial Implications

The 2019/2020 budget amendments for Brockman Street, Useless Loop, Gilroyd Road, Woodleigh Byro Road and Butchers Track would be funded by the Infrastructure reserve.

The impact upon the Infrastructure Reserve budget for the 2019/2020 budget would be as follows:

Opening Balance	\$1,332,204
Transfers in	\$609,418
Transfer Out	\$255,000
<b>Budget Balance 30 June 2020</b>	<b>\$1,686,622</b>
Budget 2019/2020 Amendments	\$242,755
<b>Revised Balance 30 June 2020</b>	<b>\$1,443,867</b>

In future, as part of the budget process, the road grant funding and expenditure will be reviewed in its entirety to ensure that all road grant funds, including the untied Grant Commission Road Grant, are being expended appropriately.

### Strategic Implications

#### Outcome 1.1

1.1.7 Develop and maintain sustainable transport infrastructure.

#### Outcome 1.2

1.2.5 Allocate resources to deliver economic development and population growth.

### Risk Management Implications

Refer Attached email from Allan Chisholm from Roads to Recovery detailing action taken by the funding body in the event of a breach of Own Source Requirements.

### Voting Requirements

Absolute Majority Required

### Signatures

Author

*A Pears*

Chief Executive Officer

*P Anderson*

Date of Report

24 January 2020

# MINUTES OF THE SPECIAL COUNCIL MEETING

12 FEBRUARY 2020

**From:** CHISHOLM Allan <Allan-g.Chisholm@infrastructure.gov.au>  
**Sent:** Thursday, 30 January 2020 11:42 AM  
**To:** Andrea Pears  
**Subject:** R2R - If Breach of Own Source Requirements [SEC=OFFICIAL]

OFFICIAL

Andrea

As discussed, as you are aware Council only scraped through on a three year average meeting the own source expenditure conditions for Roads to Recovery.

As such, if Council does not spent at least \$11,879 from its own revenue on eligible roadworks in 2019-20 the council will be in breach of the Funding Conditions.

This may result in Council not being eligible for further funding.

If this does occur we will write to Council seeking an explanation for the breach as follows:

Thank you for submitting your Council's xxxx-xx Roads to Recovery annual report. The Roads to Recovery program procedures (Part 7) document expenditure maintenance requirements and your annual report indicates a breach of these requirements. Council's own source expenditure is \$xx compared with its reference amount of \$xx, leaving a shortfall of \$xx.

In order to consider remedial action I would be grateful for an explanation of the breach. I recognise that a Council's expenditure on roads can fluctuate from year to year for many reasons and the expenditure maintenance conditions can be waived on a case by case basis if there is an acceptable reason. Please include:

1. the reasons for the breach in detail. It would not for example, be sufficient to say that there had been issues with the local utilities provider. We would need to know what the problem was, when it happened, how it impacted on the projects etc. If the problem was flooding, we will need some details of that too eg was the council disaster declared (copies of declarations will be required) along with details of any ongoing work as a result. Additionally, if council is drought affected, please include a brief outline of the Council's circumstances. A copy of the drought declaration will also be required.
2. the budgeted figure for own source expenditure on roads for 2020-21 and, where possible projected own source expenditure figures for 2021-22 and 2021-22. These should be realistic in terms of the council's overall budgetary position.

The normal practice where there is a shortfall is for Councils to make this up in the following financial year or apportioned over up to three years if required. Would you please indicate your preference on the required make up period. However, in the case of natural disasters such as a storm/flood events or drought the requirement to make up the shortfall is likely to be waived.

Please contact me on (02) 6274 7466 if you would like to discuss this matter, or if I can be of assistance in ensuring the information you provide is appropriate.

Please note that the R2R Team cannot assist you with login issues such as passwords etc. These must be referred directly to the IMS Help Team on 02 6274 6782 or by email [IMSHelp@infrastructure.gov.au](mailto:IMSHelp@infrastructure.gov.au)

Allan Chisholm  
Roads to Recovery  
National Subprograms | Infrastructure Investment  
Department of Infrastructure, Transport, Cities and Regional Development  
GPO Box 594, Canberra ACT 2601  
t 02 6274 7466  
e [allan-g.chisholm@infrastructure.gov.au](mailto:allan-g.chisholm@infrastructure.gov.au) | w [www.infrastructure.gov.au](http://www.infrastructure.gov.au)

OFFICIAL

12 FEBRUARY 2020

Moved Cr Fenny  
Seconded Cr Stubberfield

**Council Resolution**

**That the meeting be closed to members of the public in accordance with section 5.23(2) of the Local Government Act 1995 for Council to discuss matters of a confidential nature.**

**6/0 CARRIED**

**7.0 BROCKMAN STREET UPGRADE**  
RD00026 / RD00029 / FM00008

Author  
Works Manager

Disclosure of Any Interest

Disclosure of Interest: Works Manager, Mr Brian Galvin

Nature of Interest: Proximity Interest as closely associated person lives on Brockman Street and Mr Galvin is Author of the Report.

Disclosure of Interest: Cr Smith

Nature of Interest: Proximity Interest as owns property on Brockman Street.

Cr Smith, Council's Works Manager, Executive Manager Finance and Administration and Executive Manager Community Development left the Council Chamber at 2.10pm.

Moved Ridgley  
Seconded Stubberfield

**Council Resolution**

**That the Confidential Report by the Works Manager regarding Brockman Street Upgrades be considered.**

**5/0 CARRIED**

Moved Cr Ridgley  
Seconded Cr Fenny

**Council Resolution**

- 1. That the Council note the three responses from the Western Australian Local Government preferred suppliers list for RFQ 2019/2020-02.**
- 2. That Council note and endorse that as a result of the Evaluation Panel determining the compliance, qualitative and pricing structures offered it was considered that Griffin Civil has provided the best quote based on the information supplied under Brockman Street Upgrades 2019/2020.**
- 3. That Council appoint Griffin Civil based upon the assessment of the compliance, qualitative and pricing structures offered and negotiated under PS 2019/2020-02 Brockman Street Upgrades.**
- 4. That Council increase the 2019/2020 budget for Brockman Street Upgrades from \$297,245.00 to \$450,000.00 with the increased budgeted amount of \$152,755 to be funded from the Infrastructure Reserve.**

**5/0 CARRIED**

MINUTES OF THE SPECIAL COUNCIL MEETING

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12 FEBRUARY 2020

Moved            Cr Fenny  
Seconded       Cr Bellottie

**Council Resolution**

**That the meeting be reopened to the members of the public.**

**5/0 CARRIED**

Cr Smith, Council's Works Manager, Executive Manager Finance and Administration and Executive Manager Community Development returned to the Council Chamber at 2.19pm.

**At 2.19pm the President read aloud the Council decision that had been taken during the time the meeting was closed to the public in accordance with Council's Local Laws relating to Standing Orders clause 12.7(3)(a)(b)(c)(d)(e).**

**8.0    CLOSURE OF MEETING**

As there was no further business, the President closed the Special Council meeting at 2.20pm.