



AGENDA

Special Council Meeting

14 February 2023

5:30pm

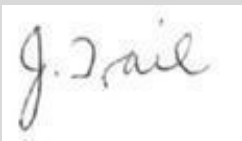
Council Chambers, Bayley Street, Coolgardie

SHIRE OF COOLGARDIE

NOTICE OF

Dear Elected Member

The next Special Council Meeting of the Shire of Coolgardie will be held on Tuesday 14 February 2023 commencing at 5:30pm.

A handwritten signature in black ink, appearing to read 'J. Trail', is displayed within a white rectangular box.

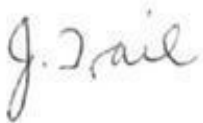
JAMES TRAIL
CHIEF EXECUTIVE OFFICER

SPECIAL COUNCIL MEETING**14 February 2023**

Welcome to the Special Council Meeting of the Shire of Coolgardie.

The dates, times and locations of the Ordinary Council Meetings for 2023 are listed hereunder.

<u>Day</u>	<u>Date</u>	<u>Time</u>	<u>Venue</u>
Tuesday	January 2023	N/A	-
Tuesday	28 February 2023	6.00pm	Coolgardie
Tuesday	28 March 2023	6.00pm	Kambalda
Tuesday	26 April 2023	6.00pm	Coolgardie
Tuesday	23 May 2023	6.00pm	Kambalda
Tuesday	27 June 2023	6.00pm	Coolgardie
Tuesday	25 July 2023	6.00pm	Kambalda
Tuesday	22 August 2023	6.00pm	Coolgardie
Tuesday	26 September 2023	6.00pm	Kambalda
Tuesday	24 October 2023	6.00pm	Coolgardie
Tuesday	28 November 2023	6.00pm	Kambalda
Tuesday	19 December 2023	6.00pm	Coolgardie



James Trail
Chief Executive Officer

DISCLAIMER

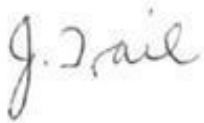
INFORMATION FOR PUBLIC ATTENDING COUNCIL MEETINGS

PLEASE NOTE:

THE RECOMMENDATIONS CONTAINED IN THIS AGENDA ARE OFFICERS RECOMMENDATIONS ONLY AND SHOULD NOT BE ACTED UPON UNTIL COUNCIL HAS RESOLVED TO ADOPT THOSE RECOMMENDATIONS.

THE RESOLUTIONS OF COUNCIL SHOULD BE CONFIRMED BY PERUSING THE MINUTES OF THE COUNCIL MEETING AT WHICH THESE RECOMMENDATIONS WERE CONSIDERED.

MEMBERS OF THE PUBLIC SHOULD ALSO NOTE THAT THEY ACT AT THEIR OWN RISK IF THEY ENACT ANY RESOLUTION PRIOR TO RECEIVING OFFICIAL WRITTEN NOTIFICATION OF COUNCILS DECISION.

A handwritten signature in dark ink, appearing to read "J. Trail", is positioned above the printed name and title.

James Trail
CHIEF EXECUTIVE OFFICER

COUNCIL MEETING INFORMATION NOTES

1. Your Council generally handles all business at Ordinary or Special Council Meetings.
2. From time to time Council may form a Committee to examine subjects and then report to Council.
3. Generally all meetings are open to the public; however, from time to time Council will be required to deal with personal, legal and other sensitive matters. On those occasions Council will generally close that part of the meeting to the public. Every endeavour will be made to do this as the last item of business of the meeting.
4. Public Question Time. It is a requirement of the Local Government Act 1995 to allow at least fifteen (15) minutes for public question time following the opening and announcements at the beginning of the meeting. Should there be a series of questions the period can be extended at the discretion of the Chairman.

Written notice of each question should be given to the Chief Executive Officer prior to 2:30pm on the day of the meeting. A summary of each question and response is included in the Minutes.

When a question is not able to be answered at the Council Meeting a written answer will be provided after the necessary research has been carried out. Council staff will endeavour to provide the answers prior to the next meeting of Council.

5. **Councillors** may from time to time have a financial interest in a matter before Council. Councillors must declare an interest and the extent of the interest in the matter on the Agenda. However, the Councillor can request the meeting to declare the matter **trivial, insignificant or in common with a significant number of electors or ratepayers**. The Councillor must leave the meeting whilst the matter is discussed and cannot vote unless those present agree as above.

Members of staff, who have delegated authority from Council to act on certain matters, may from time to time have a financial interest in a matter on the Agenda. The member of staff must declare that interest and generally the Chairman of the meeting will advise the Officer if he/she is to leave the meeting.

6. Agendas including an Information Bulletin are delivered to Councillors within the requirements of the Local Government Act 1995, i.e. seventy-two (72) hours prior to the advertised commencement of the meeting. Whilst late items are generally not considered there is provision on the Agenda for items of an urgent nature to be considered.

Should an elector wish to have a matter placed on the Agenda the relevant information should be forwarded to the Chief Executive Officer in time to allow the matter to be fully researched by staff. An Agenda item including a recommendation will then be submitted to Council for consideration.

The Agenda closes the Monday week prior to the Council Meeting (i.e. ten (10) days prior to the meeting).

The Information Bulletin produced as part of the Agenda includes items of interest and information, which does not require a decision of Council.

7. Agendas for Ordinary Meetings are available in the Coolgardie and Kambalda Offices/Libraries seventy-two (72) hours prior to the meeting and the public are invited to secure a copy.
8. Agenda items submitted to Council will include a recommendation for Council consideration. Electors should not interpret and/or act on the recommendations until after they have been considered by Council. Please note the Disclaimer in the Agenda (page 3).
9. Public Question Time – Statutory Provisions – Local Government Act 1995

Time is to be allocated for questions to be raised by members of the public and responded to at:

- (a) Every ordinary meeting of a council; and
- (b) Such other meetings of councils or committees as may be prescribed

Procedures and the minimum time to be allocated for the asking of and responding to questions raised by members of the public at council or committee meetings are to be in accordance with regulations.

9A. Question Time for the Public at Certain Meetings – s5.24 (1) (b)

Local Government (Administration) Regulations 1996

Reg 5 For the purpose of section 5.24(1)(b), the meetings at which time is to be allocated for questions to be raised by members of the public and responded to are:

- (a) every special meeting of a council; and
- (b) every meeting of a committee to which the local government has delegated a power or duty.

Minimum Question Time for the Public – s5.24 (2)

- Reg 6 (1) The minimum time to be allocated for the asking of and responding to questions raised by members of the public at ordinary meetings of councils and meetings referred to in regulation 5 is fifteen (15) minutes.
- (2) Once all the questions raised by members of the public have been asked and responded to at a meeting referred to in sub regulation (1), nothing in these regulations prevents the unused part of the minimum question time period from being used for other matters.

Procedures for Question Time for the Public – s5.24 (2)

Local Government (Administration) Regulations 1996

- Reg 7 (1) Procedures for the asking of and responding to questions raised by members of the public at a meeting referred to in regulation 6 (1) are to be determined:
- (a) by the person presiding at the meeting; or
 - (b) in the case where the majority of members of the council or committee present at the meeting disagree with the person presiding, by the majority of members, having regard to the requirements of sub regulations (2) and (3).
- (2) The time allocated to the asking and responding to questions raised by members of the public at a meeting referred to in regulation 6(1) is to precede the discussion of any matter that requires a decision to be made by the council or the committee, as the case may be.
- (3) Each member of the public who wishes to ask a question at a meeting referred to in regulation 6(1) is to be given an equal and fair opportunity to ask the question and receive a response.
- (4) Nothing in sub regulation (3) requires:
- (a) A council to answer a question that does not relate to a matter affecting the local government;
 - (b) A council at a special meeting to answer a question that does not relate to the purpose of the meeting; or
 - (c) A committee to answer a question that does not relate to a function of the committee.

2. Public Inspection of Unconfirmed Minutes (Reg 13)

A copy of the unconfirmed Minutes of Ordinary and Special Meetings will be available for public inspection in the Coolgardie and Kambalda Offices/Libraries within ten (10) working days after the Meeting.

NOTE:**10.3 Unopposed Business**

- (1) Upon a motion being moved and seconded, the person presiding may ask the meeting if any member opposes it.
- (2) If no member signifies opposition to the motion the person presiding may declare the motion in sub clause (1) carried without debate and without taking a vote on it,
- (3) A motion carried under sub clause (2) is to be recorded in the minutes as a unanimous decision of the Council or committee.
- (4) If a member signifies opposition to a motion the motion is to be dealt with according to this Part.
- (5) This clause does not apply to any motion or decision to revoke or change a decision which has been made at a Council or committee meeting.

QUESTION TIME FOR THE PUBLIC

(Please Write Clearly)

DATE: _____

NAME: _____

TELEPHONE: _____

ADDRESS: _____

QUESTION TO THE PRESIDENT:-

- **GENERAL QUESTION / QUESTION RELATED TO THE AGENDA**
(Strike out unnecessary words)

ITEM NO: _____ PAGE NO: _____

PLEASE PASS TO THE CHIEF EXECUTIVE OFFICER FOR REFERRAL TO THE PRESIDENT BY 2.30PM ON THE DAY OF THE MEETING AT THE KAMBALDA OFFICE, IRISH MULGA DRIVE, KAMBALDA OR AT THE COOLGARDIE OFFICE, BAYLEY STREET, COOLGARDIE.

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1 DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS**1.1 WELCOME TO COUNTRY ANNOUNCEMENT**

"The Shire of Coolgardie acknowledges the Traditional Owners of the land, on which we meet and pay our respects to Elder's past, present and emerging"

2 DECLARATION OF COUNCIL MEMBERS

The Shire President to invite Council Members to declare that they have read the agenda and supporting documents and able to make informed decision on all matters accordingly.

3 RECORD OF ATTENDANCE / APOLOGIES / APPROVED LEAVE OF ABSENCE**4 DECLARATIONS OF INTEREST****4.1 Declarations of Financial Interests – Local Government Act Section 5.60A****4.2 Declarations of Proximity Interests – Local Government Act Section 5.60B****4.3 Declarations of Impartiality Interests –Shire of Coolgardie Code of Conduct for Council Members, Committee Members and Candidate for Election, Code of Conduct for Employees****5 PUBLIC QUESTION TIME****6 APPLICATIONS FOR LEAVE OF ABSENCE****7 CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS****8 REPORTS OF COMMITTEES**

Nil

9 REPORTS OF OFFICERS**9.1 Executive Services****9.1.1 DISPOSAL BY LEASE OF A PORTION OF LOT 2435 ON PLAN 107089 - CURRENTLY CROWN RESERVE 8693 GNARLBINE ROAD COOLGARDIE TO GOLDFIELDS CAMP SERVICES PTY LTD**

Location: Coolgardie
Applicant: Goldfields Camps Services Pty Ltd
Disclosure of Interest: Nil
Date: 30 January 2023
Author: James Trail, Chief Executive Officer

SUMMARY

That Council APPROVES BY ABSOLUTE MAJORITY the Shire Coolgardie Lease Goldfields Camp Services Business Plan for Major Land Transaction and Major Trading Undertaking, as shown as Attachment 1, in accordance with Section 3.58 of the Local Government Act 1995, to dispose of by lease a portion of Lot 2435 on Plan 107089 – Currently Crown Reserve 8693 vested in the Shire of Coolgardie Lot 2435 Gnarlbine Road, Coolgardie, Western Australia for a workers accommodation village.

BACKGROUND

The Shire is proposing to lease a portion of Lot 2435 on Plan 107089 – Currently Crown Reserve 8693 vested in the Shire of Coolgardie for up to 150 room workers accommodation village. The worker accommodation village will provide accommodation for employees working on a local mine site. The Shire of Coolgardie is proposing to lease the land for 10 years from commencement date. The Shire resolved at the Ordinary Meeting of Council on 22nd December 2022;

RESOLUTION #1/2022

Moved: Cr Tammee Keast

Seconded: Cr Tracey Rathbone

That Council

1. By ABSOLUTE MAJORITY, pursuant to s5.42 of the Local Government Act 1995, delegate authority to the CEO to prepare a Business Plan in accordance with s3.59(2), (3) of the Local Government Act 1995, and to advertise the Plan for public comment in accordance with s3.59(4), and to bring the Plan, any public comments, and a recommendation to Council for consideration under s3.59(5) of the Act.
2. By ABSOLUTE MAJORITY, pursuant to s5.42 of the Local Government Act 1995, delegate authority to the CEO to prepare a Business Plan in accordance with s3.58(3), (4) of the Local Government Act 1995, and to advertise the Disposition by Local Public Notice for public comment in accordance with s3.58(3), and to bring the Plan, any public comments, and a recommendation to Council for consideration under s3.58(3) (b) of the Act.
3. By ABSOLUTE MAJORITY pursuant to s5.42 of the Local Government Act 1995, delegate authority to the CEO to include the following Terms and Conditions for the proposed Lease of a portion of Lot 2435 on Plan 107089 Currently Crown Reserve 8693 vested in the Shire of Coolgardie for workers accommodation:
 - (a) Lessee: Goldfields Camps Services Pty Ltd Pty Ltd

- (b) **Consideration:** Annual lease payment of up to \$550,000 and contributions towards sewer and road infrastructure estimated at up to \$800,000, payment of land and sewerage rates, and payment of fees and charges for disposal of waste.
- (c) **Market Valuation:** Lease value of between \$440,000 and \$660,000 per annum

The following public notice was advertised for public comment in accordance with s3.58(3) on Thursday 18th August 2022.

**NOTICE OF DISPOSAL OF LAND
SECTION 3.58 OF LOCAL GOVERNMENT ACT 1995**

Notice is hereby given that the Shire of Coolgardie intends to dispose of land by way of lease.

PROPERTY:

Portion of land Lot 2435, Reserve 8693 on Plan 107089, Gnarlbine Road, Coolgardie

Lessor: Shire of Coolgardie

Lessee: Goldfields Camps Services

Purpose: Up to 600 room workers accommodation village

Commencement: 28th February 2023

Term: 10 year period

Consideration: All infrastructure and services to be paid by Lessee.

Market Valuations: Between \$440,000 and \$660,000 per annum

Copies of the disposition of land by lease of Lot 2435, Reserve 8693 on Plan 107089, Gnarlbine Road, Coolgardie can be inspected or obtained from the Shire of Coolgardie Administration Officers at Barnes Drive, Kambalda or viewed on the Shire's website at www.coolgardie.wa.gov.au

Submissions on the proposed disposition are required to be made in writing and lodged with the Chief Executive Officer, Shire of Coolgardie, PO Box 138, Kambalda WA 6442 or submitted electronically to mail@coolgardie.wa.gov.au on or before Wednesday 18th January 2023..

James Trail
Chief Executive Officer

One submission was received..

COMMENT

Many rural or remote local governments in Western Australia face declining populations. The falling population has led to stagnant or declining housing and land values and lower levels of commercial activity.

The number of households, the value of housing stock, land values and the level of commercial or industrial activity all influence the level of revenue local government is able to extract from its rate base. There is significant disparity between local government capacity to rely on own-source revenue to meet their budget needs.

Local governments that are not financially self-sufficient are less likely to be sustainable across the longer term. In Western Australia, most rural and remote councils (although representing a minority of the population) are heavily dependent on state government and commonwealth grants. The majority of these local governments receive a large proportion of their revenue from grants.- indeed several local governments' entire rate income barely covers the CEO's salary and on costs.

Most government grants are distributed on an annual basis with some certainty, however, there are no guarantees. The grant process is open to political whims of the government of the day, making it difficult for local government to plan for the future. This is why it's important for local governments to develop strong own-source income.

Service Delivery Challenge

With declining capacity to rate, local governments are faced with the sustainability challenge. Smaller populations also impact on the council's ability to collect fees and charges.

The Shire has an ongoing obligation to provide and maintain significant community assets including facilities, roads and waste and water infrastructure. Timely expenditure will ensure the Shire is not contributing to the sector's infrastructure backlog. Providing facilities and infrastructure is not cheap. Local governments also need to maintain a level of amenity and service provision to be competitive in attracting new residents, new businesses, and visitations.

The Shire's rates are raised predominately from the mining sector (over 85%). Increasingly local governments are moving away from relying on rate income and annual rate increases. For local governments to address their sustainability challenges, they need to grow their own-source income while limiting exposure risk.

The Shire economy, like the WA economy is emerging from COVID-19 related restrictions and faces a raft of new challenges in the form of supply chain disruptions, labour shortages and rising costs, punctuated by the 7.6% increase in the Perth Consumer Price Index (CPI) over the year to March 2022. Furthermore, the Shire has undergone a Gross Rental Revaluation, the last one occurring 6 years ago. The revaluation has resulted in gross rental valuations in Kambalda decreasing on average by 10.5% and in Coolgardie on average by 8%. This has implications for "balancing" the way the rate "burden" is shared across the Coolgardie community.

For the Shire to continue to strive to deliver improved and efficient services to the community with costs increasing as a minimum in excess of 7% and a decrease in gross rental values resulting in a decrease in rate revenue (unless the rates in the \$ are accordingly lifted) is impossible without generating other sources of revenue.

The Shire estimates the impact of the 7.6% increase in Perth CPI, increases in insurance, contractors, employee and operational costs to be in excess of \$1.3 million on the Shire annual operating and capital expenditure budget. In order to provide services to the community at the same level as it has done in 2021/2022 simply on rates revenue alone, given an estimated increase of in excess of \$1.3 million, would require a rate increase of in excess of 100% on residential, commercial, generally industry and light industry rate payers. Clearly this is not an action the Council could ever consider.

In order to maintain or increase the level of services to the community, in an environment of escalation costs and decrease in valuation of the majority of residential, commercial, generally industry and light industry properties in the Shire, Council has displayed exceptional leadership in planning for and progressing new revenue generating opportunities. In doing so it was in a unique position to be able to advertise only a 5% increase in the rate in the \$ for residential, commercial, generally industry and light industry rate payers in the Shire generating an estimated revenue increase of only \$81,000. The estimated increase of \$8.5 million in fees and charges associated with workers accommodation, waste facilities and the Kambalda Airport has enabled the Shire to not only improve the level of services to the community but increase the level of expenditure on renewing and maintaining roads, footpaths, drainage, buildings, and community infrastructure. Furthermore, it

has enabled the Council to consider only a 3% increase in the rate in the \$ for residential, commercial, generally industry and light industry rate payers in the Shire generating an estimated revenue increase of \$48,600.

The Shire has worked extremely hard over the past three years to create strong collaborative relationships with the mining sector, connected businesses and industry and the State Government. Consequently, the strength of these partnerships has enabled the Shire to progress revenue generating opportunities to ensure that the residential, commercial, generally industry and light industry rate payers are not burdened with massive rate increases now and into the future.

The Shire's proposed lease of land for a worker accommodation village will add another income generating asset and increase its portion of own-source income, which will also have a positive effect on its financial ratios.

The Property details are listed in the table below

Current Owner	Crown Reserve 8693 vested in the Shire of Coolgardie. The land Tenure is subject to an application to Freehold ownership to the Shire of Coolgardie
Address	Lot 2435 Gnarlbine Road, Coolgardie, Western Australia
Title Particulars	Portion of Lot 2435 on Plan 107089 Currently Crown Reserve 8693 vested in the Shire of Coolgardie
Total Land Area	Area approximately 5.5 Hectares
Zoning	Zoned rural residential under Local Planning Scheme No 5 Workforce accommodation is an "A" – use under the Scheme, which means by Council determination of the proposal following advertising.

DISPOSITION OF LAND

Public notice is required for proposed disposition of property and land, by way of lease, license or sale pursuant to Section s.3.58 and 3.59 of the Local Government Act 1995.

Pursuant to this; the Shire of Coolgardie needs to give public notice of consideration by the Shire Coolgardie to enter into a lease with Goldfields Camp Services Pty Ltd for a portion of Lot 2435 on Plan 107089 Currently Crown Reserve 8693 vested in the Shire of Coolgardie for workers accommodation

The portion of land of Lot 2435 on Plan 107089 Currently Crown Reserve 8693 vested in the Shire of Coolgardie is adjacent to a current workers accommodation village. Power, water and sewerage infrastructure exists on the adjacent site that can be potentially utilised.

Mining companies have approached the Shire seeking available land for workers accommodation. The demand for workers accommodation is at a crisis point. The Shire's investment in facilitating the proposed lease of land will go some way to addressing this crisis, which will further enable local economic growth underpinned by the mining sector.

The purpose of the proposed lease is to facilitate workers accommodation for Goldfields Camp Services Pty Ltd..

KEY TERMS OF THE PROPOSED LEASE

Lessor:	Shire Coolgardie
Lessee:	Goldfields Camp Services Pty Ltd
Area:	Lot 2435 on Deposited Plan 107089 being a portion of the land contained in certificate of title volume LR3132 folio 189
Purpose:	Workers Accommodation
Commencement:	28 February 2023.
Term:	4 years with a further two options of 4 years ceasing on 31st October 2034
Permissible Use:	Workers Accommodation
Consideration:	All infrastructure and services to be paid by Lessee.
Market Valuation:	Between \$440,000 and \$660,000 per annum

CONSULTATION

Council Members

State Agencies

Goldfields Camp Services

STATUTORY ENVIRONMENT

Section 3.59 of the Local Government Act 1995 details the process governing Commercial Enterprises by local governments, including Major Land Transactions and Major Trading Undertakings.

For a local government which is not in the metropolitan area, or is not a major regional centre (defined in the LGA as having more than 20,000 population) a Major Land Transaction is defined by the Act to be a land transaction that is not exempt under the Act, and where the total value of:

- a) The consideration under the transaction; and
- b) Anything done by the local government for achieving the purposes of the transaction; is more, or is worth the lesser of, \$2 million, or 10% of the operating expenditure incurred by the local government from its municipal fund in the last completed financial year.

For a local government which is not in the metropolitan area, or is not a major regional centre (defined in the LGA as having more than 20,000 population) a Major Trading Undertaking is defined as a trading undertaking that:

- a) in the last completed financial year, involved; or
- b) in the current financial year or the financial year after the current financial year, is likely to involve; expenditure by the local government of the lesser of, \$2 million, or 10% of the operating expenditure incurred by the local government from its municipal fund in the last completed financial year.

The Trading Undertaking means an activity carried on by a local government with a view to producing profit.

Before the Shire enters into a Major Land Transaction or commences a Major Trading Undertaking, it is required to prepare a Business Plan that includes an overall assessment of the proposed Major Trading Undertaking and Major Land Transaction including:

- a) expected effect on the provision of facilities and services by the Shire;

- b) expected effect on other persons providing facilities and services in the district;
- c) expected financial effect on the Shire;
- d) expected effect on the Shire's Plan for the future;
- e) the ability of the Shire to manage the performance of the transactions; and
- f) any other matter prescribed for the purposes of the subsection.

The Local Government Act 1995 also requires the Shire to give state-wide public notice that:

- the Shire proposes to enter into a Major Land Transaction and Major Trading Undertaking described in the notice; and
- a copy of the Business Plan may be inspected or obtained at any place specified in the notice.

The Shire is to make a copy of the Business Plan available for public inspection in accordance with the notice. The Shire is to also publish a copy of the Business Plan on its official website.

Submissions about the proposed land transaction or undertaking may be made to the Shire before a day to be specified in the notice, being a day that is not less than six weeks after the notice is given.

After the last day for submissions, the Shire is to consider any submissions made and may decide by absolute majority to proceed with the undertaking and transaction as proposed or so that it is not significantly different from what was proposed.

Public notice is also required for any proposed disposition of property and land, by way of lease, license or sale pursuant to Section s.3.58 and 3.59 of the Local Government Act 1995.

Section 3.58 of the Local Government Act 1995 states;

(3) A local government can dispose of property other than under subsection (2) if, before agreeing to dispose of the property –

- (a) it gives local public notice of the proposed disposition –
 - (i) describing the property concerned; and
 - (ii) giving details of the proposed disposition; and
 - (iii) inviting submissions to be made to the local government

before a date to be specified in the notice, being a date not less than 2 weeks after the notice is first given;

In summary, the details of the disposition must be disclosed, including the description of the property in question, the consideration (price) and the market value.

Public comments are to be invited on the proposed disposition and the submissions will be considered by Council after the closing date, should submissions be made.

POLICY IMPLICATIONS

N/A

FINANCIAL IMPLICATIONS

Financial analysis has been undertaken for the option of leasing land for workers accommodation.

The proposed lease indicates that a lease for workers accommodation will include but not limited to:

- Annual lease fee for the portion of land estimated up to \$550,000
- Payment of land and sewerage rates
- Payment of fees and charges for disposal of waste

- Contribution towards infrastructure estimated up to \$800,000

Additional revenue from the proposed lease of land for workers accommodation will assist the Shire to maintain or increase the level of services to the community, in an environment of escalating costs and decrease in valuation of the majority of residential, commercial, generally industry and light industry properties in the Shire. The Shire has an ongoing obligation to provide and maintain significant community assets including facilities roads and waste and water infrastructure and deliver services.

2022/23 Budget

The Shire has adopted its 2022/23 Annual Budget. The 2022/23 budget concentrates on core services, efficiencies, an extensive array of community initiatives and renewal and maintenance of the Shires many assets.

The 2022/2023 Annual Budget highlights operating revenue of \$26,895,575 compared to \$13,821,180 in 2021/2022 and operating expenditure of \$24,079,858 compared to \$16,728,630 in 2021/2022. Consequently, for the 2022/2023 year the budget operating surplus is \$2,815,717 compared to an operating deficit in 2021/2022 of \$2,907,450. This extraordinary turn around estimated at \$5,723,167 is a direct result of the progression of new revenue generating opportunities. Furthermore, for the first time, the Shire will end up with an estimated positive operating surplus ratio.

The 2022/2023 Annual Budget also highlights an estimated \$7,296,251 net cash provided by operating activities. The significance of this cannot be underestimated. Very few local governments in WA would have a ratio of 74% of rates revenue contributing to the renewal of road, building, footpath, drainage and community infrastructure.

Further highlights of the 2022/2023 Annual Budget include ambitious estimated capital expenditure programme of \$29.7 million. This includes;

- Renewal Carins Road \$900,000
- Renewal Coolgardie North Road \$400,000
- Renewal Gnarlbine Road \$200,000
- Renewal Ladyloch/Tindals Intersection \$400,000
- Renewal Sharpe Drive Kurrawang \$300,000
- Coolgardie Sewerage Renewal \$1,600,000
- Drainage Renewal \$100,000
- Coolgardie Refuse Site Renewal \$275,000
- Processing Facility for Plastics and Tyres Coolgardie Refuse Site \$4,000,000
- Kambalda Airport Runway Renewal including lighting and fencing \$6,650,000
- EV Charging Station \$100,000
- Completion of Coolgardie Cultural and Community Hub \$640,000
- Coolgardie Cultural and Community Hub Fit Out \$150,000
- Tyre Shredder for Coolgardie Refuse Site \$1,000,000
- Completion of Kambalda Workers Accommodation Village \$7,300,000.
- Land Development Planning \$80,000
- Repayment of Borrowing estimated at \$1.6 million

Operating Highlights of the 2022/2023 Annual Budget include estimated expenditure of \$10.5 million and increase of \$1.7 million from 2021/2022;

- Kambalda Resource Centre operations and activities \$148,000
- Coolgardie Resource Centre operations and activities \$234,100
- Meals on Wheels Programme \$60,000
- Law and order and public safety \$244,000
- Provision of health services \$480,000
- Provision of mental health and wellbeing \$100,000
- Maintenance aged care accommodation \$127,000
- Provision of waste services \$1,840,000
- Coolgardie Swimming Pool operations and activities \$290,275
- Kambalda Swimming Pool operations and activities \$568,000
- Maintenance Parks, Gardens and Reserves \$1,239,000
- Coolgardie Recreation Centre operations and activities \$429,000
- Kambalda Recreation Centre operations and activities \$1,150,000
- Community Development and Heritage \$403,000
- Road, footpath, verge maintenance \$2,160,000
- Tourism and Area promotion and activities \$592,000
- Economic Development \$470,000

Direct Community Benefit

The revenue from the proposed lease for workers accommodation village will contribute directly to benefit the community. The revenue will not be used to off-set the Shire's overheads or cost of administration. The revenue will be used to maintain and enhance services, community programmes and events and community infrastructure.

STRATEGIC IMPLICATIONS**A thriving local economy**

Supporting and encouraging mining and processing industries

Accountable and effective leaders

Demonstrating sound financial management and plans for the Shire's long term financial sustainability

An inclusive, safe and vibrant community

Attracting funding to support the sustainability and growth of our local Community groups

Effective management of infrastructure, heritage and environment

Facilitating urban and rural planning and development

ATTACHMENTS**1. J McLeod - Submission - Disposal of Land**

VOTING REQUIREMENT

Absolute Majority

SPECIAL COUNCIL RESOLUTION AND OFFICER RECOMMENDATION

That Council;

1. **APPROVES BY ABSOLUTE MAJORITY** the Shire Coolgardie Lease Goldfields Camp Services Pty Ltd Business Plan for Major Land Transaction and Major Trading Undertaking, as shown as Attachment 1, in accordance with Section 3.58 of the Local Government Act 1995, to dispose of by lease a portion of Lot 2435 on Plan 107089 – Currently Crown Reserve 8693 vested in the Shire of Coolgardie Lot 2435 Gnarlbine Road, Coolgardie, Western Australia for a workers accommodation village
2. Approves by Absolute Majority for the following Terms and Conditions for the proposed lease of a Portion of Lot 2435 on Plan 107089 – currently Crown Reserve 8693 vested in the Shire of Coolgardie to apply:
 - a. Lessor: Shire Coolgardie
 - b. Lessee: Goldfields Camp Services Pty Ltd
 - c. Lease Area: Lot 2435 on Deposited Plan 107089 – being a portion of the land contained in certificate of title volume LR3132 folio 189.
 - d. Purpose: Workers Accommodation
 - e. Commencement: 28th February 2023
 - f. Term: 10 years commencing on the Commencement Date and expiring on the Expiry Date, unless terminated earlier
 - g. Permissible Use: Workers Accommodation
 - h. Consideration: All infrastructure and services to be paid by the Lessee.
 - i. Annual lease payment of between \$440,000 and \$660,000 per annum

**9.1.2 PROPOSED WORKERS ACCOMMODATION VILLAGE EXPANSION KAMBALDA
- BUSINESS PLAN FOR MAJOR TRADING UNDERTAKING**

Location: Kambalda
Applicant: Nil
Disclosure of Interest: Nil
Date: 1 February 2023
Author: James Trail, Chief Executive Officer

SUMMARY

That Council APPROVES BY ABSOLUTE MAJORITY - The Business Plan for Major Land Transaction and Major Trading Undertaking, in accordance with Section 3.59 of the Local Government Act 1995 to expand Bluebush Village by 100 rooms located at Lot 562 Bluebush Road, Kambalda West, Western Australia.

BACKGROUND

Council at its Ordinary Meeting held on the 22nd December 2022 resolved the following:-

RESOLUTION #1/2022

Moved: Cr Kathie Lindup
Seconded: Cr Sherryl Botting

That By ABSOLUTE MAJORITY, pursuant to s5.42 of the Local Government Act 1995, delegate authority to the CEO to prepare a Business Plan in accordance with s3.59(2), (3) of the Local Government Act 1995, and to advertise the Plan for public comment in accordance with s3.59(4), and to bring the Plan, any public comments, and a recommendation to Council for consideration under s3.59(5) of the Act.

COMMENT

The CEO prepared a Business Plan and the following public notice was advertised for public comment in accordance with s3.59(4) of the Local Government Act.

**MAJOR LAND TRANSACTION AND MAJOR TRADING UNDERTAKING****Lot 562 Bluebush Road, Kambalda West**

The Shire of Coolgardie is proposing to expand Bluebush Village with an additional 100 rooms located at Lot 562 Bluebush Road Kambalda West, Western Australia.

A Business Plan has been prepared in accordance with Section 3.59 of the Local Government Act 1995.

A copy can be inspected or obtained from the Shire of Coolgardie Administration Offices at Barnes Drive, Kambalda or viewed on the Shire's website at www.coolgardie.wa.gov.au

Public submissions are invited on the proposed business plan and should be addressed to the Chief Executive Officer, Shire of Coolgardie, PO Box 138, Kambalda WA 6442.

Submissions must be received by 10.00am (WST) Monday 6th February 2023.

At the close of the advertising period Council will consider all submissions and make determination on the proposed Business Plan.

James Trail
Chief Executive Officer

The public notice was advertised in the West Australian and Kalgoorlie Miner on Friday 23rd December 2022 and the Shire of Coolgardie website. Submissions closed at 10am on Monday 6th February 2023 and one submission was received.

CONSULTATION

Community

Staff

Mining Industry

Businesses

STATUTORY ENVIRONMENT

Section 3.59 of the LGA sets out the steps required for commercial enterprises by local governments and Section 10 of the Local Government (Functions and General) Regulations 1996 sets out the requirements for a business plan for a major trading undertaking. As required by Section 3.59 of the LGA, local governments undertaking commercial enterprises are required to:

1. Prepare a business plan;
2. Undertake local and statewide advertising of the business plan; and
3. Consider any submissions received. The Business Plan for the Major Trading Undertaking is required under section 3.59 of the LGA because it's an activity carried out by the Local Government with a view to producing profit to it.

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Risk analysis was done as part of due diligence in preparation of the financial modelling including the business plan to ensure the workers accommodation village would generate sufficient funds to cover the cost of servicing the loan funds. Ultimately any loan funding provided to the Shire from any financial institution will be subject to due diligence and risk assessment.

STRATEGIC IMPLICATIONS

A thriving local economy

Encouraging and attracting new investment and advocating for local employment

Accountable and effective leaders

Demonstrating sound financial management and plans for the Shire's long term financial sustainability

Effective management of infrastructure, heritage and environment

Supporting the development of diverse housing and land options

ATTACHMENTS

1. **J McLeod Submission - Proposed Workers Accommodation Village Expansion**

VOTING REQUIREMENT

Absolute Majority

SPECIAL COUNCIL RESOLUTION AND OFFICER RECOMMENDATION

That Council APPROVES BY ABSOLUTE MAJORITY - The Business Plan for Major Land Transaction and Major Trading Undertaking, in accordance with Section 3.59 of the Local Government Act 1995 to expand Bluebush Village by 100 rooms located at Lot 562 Bluebush Road, Kambalda West, Western Australia.

9.1.3 MAJOR TRADING UNDERTAKING RESERVE 8693, LOT 2435 ON PLAN 107089, GNARLBINE ROAD COOLGARDIE - GOLDFIELDS CAMP SERVICES PTY LTD

Location: Coolgardie
Applicant: Goldfields Camp Services Pty Ltd
Disclosure of Interest: Nil
Date: 1 February 2023
Author: James Trail, Chief Executive Officer

SUMMARY

That Council APPROVES BY ABSOLUTE MAJORITY the Shire Coolgardie Lease Goldfields Camp Services Pty Ltd Business Plan for Major Land Transaction and Major Trading Undertaking, in accordance with Section 3.59 of the Local Government Act 1995, to lease a portion of Lot 2435 on Plan 107089 - Currently Crown Reserve 8693 vested in the Shire of Coolgardie Lot 2435 Gnarlbine Road, Coolgardie, Western Australia for up to 600 room workers accommodation village.

BACKGROUND

Council at its Ordinary Meeting held on Tuesday 22nd December 2023 resolved the following:-

RESOLUTION #1/2022

Moved: Cr Tammee Keast

Seconded: Cr Tracey Rathbone

That Council

1. By ABSOLUTE MAJORITY, pursuant to s5.42 of the Local Government Act 1995, delegate authority to the CEO to prepare a Business Plan in accordance with s3.59(2), (3) of the Local Government Act 1995, and to advertise the Plan for public comment in accordance with s3.59(4), and to bring the Plan, any public comments, and a recommendation to Council for consideration under s3.59(5) of the Act.
2. By ABSOLUTE MAJORITY, pursuant to s5.42 of the Local Government Act 1995, delegate authority to the CEO to prepare a Business Plan in accordance with s3.58(3), (4) of the Local Government Act 1995, and to advertise the Disposition by Local Public Notice for public comment in accordance with s3.58(3), and to bring the Plan, any public comments, and a recommendation to Council for consideration under s3.58(3) (b) of the Act.
3. By ABSOLUTE MAJORITY pursuant to s5.42 of the Local Government Act 1995, delegate authority to the CEO to include the following Terms and Conditions for the proposed Lease of a portion of Lot 2435 on Plan 107089 Currently Crown Reserve 8693 vested in the Shire of Coolgardie for workers accommodation:
 - (a) Lessee: Goldfields Camps Services Pty Ltd Pty Ltd
 - (b) Consideration: Annual lease payment of up to \$550,000 and contributions towards sewer and road infrastructure estimated at up to \$800,000, payment of land and sewerage rates, and payment of fees and charges for disposal of waste.
 - (c) Market Valuation: Lease value of between \$440,000 and \$660,000 per annum

COMMENT

The Shire is proposing to lease a portion of Lot 2435 on Plan 107089 – Currently Crown Reserve 8693 vested in the Shire of Coolgardie for up to 600 room workers accommodation village. The worker accommodation village will provide accommodation for employees working on a local mine site. The Shire of Coolgardie is proposing to lease the land for 10 years from commencement date.

The following public notice was advertised on the Shire of Coolgardie website and in the Kalgoorlie Miner and West Australian on Friday 23rd December 2022 for public comment in accordance with s3.59(4) of the Local Government Act 1995.



MAJOR LAND TRANSACTION AND MAJOR TRADING UNDERTAKING
RESERVE 8693 LOT 2435 ON PLAN 107089, GNARLBINE ROAD, COOLGARDIE

The Shire of Coolgardie is proposing to lease a portion of Lot 2435 on Plan 107089 Currently in Crown Reserve 8693 vested in the Shire of Coolgardie for up to 600 room workers accommodation village. The Shire of Coolgardie is proposing to lease the land for 10 years.

Currently Crown Reserve 8693 is vested in the Shire of Coolgardie and the land tenure is subject to an application to freehold ownership to the Shire of Coolgardie. Crown Reserve 8693 is currently zoned rural residential under Local Planning Scheme No 5.

A Business Plan has been prepared in accordance with Section 3.59 of the Local Government Act 1995. A copy can be inspected or obtained from the Shire of Coolgardie Administration Offices at Barnes Drive, Kambalda or viewed on the Shire's website at www.coolgardie.wa.gov.au

Public submissions are invited on the proposed business plan and should be addressed to the Chief Executive Officer, Shire of Coolgardie, PO Box 138, Kambalda WA 6442.

Submissions must be received by 4.00pm (WST) Tuesday 7th February 2023.

At the close of the advertising period Council will consider all submissions and make determination on the proposed Business Plan.

James Trail
Chief Executive Officer

Submissions closed at 4pm on Tuesday 7th February 2023 and one submission was received

CONSULTATION

Council Members

State Agencies

Mining Company

STATUTORY ENVIRONMENT

Section 3.59 of the Local Government Act 1995 details the process governing Commercial Enterprises by local governments, including Major Land Transactions and Major Trading Undertakings.

For a local government which is not in the metropolitan area, or is not a major regional centre (defined in the LGA as having more than 20,000 population) a Major Land Transaction is defined by the Act to be a land transaction that is not exempt under the Act, and where the total value of:

- a) The consideration under the transaction; and
- b) Anything done by the local government for achieving the purposes of the transaction; is more, or is worth the lesser of, \$2 million, or 10% of the operating expenditure incurred by the local government from its municipal fund in the last completed financial year..

For a local government which is not in the metropolitan area, or is not a major regional centre (defined in the LGA as having more than 20,000 population) a Major Trading Undertaking is defined as a trading undertaking that:

- a) in the last completed financial year, involved; or
- b) in the current financial year or the financial year after the current financial year, is likely to involve; expenditure by the local government of the lesser of, \$2 million, or 10% of the operating expenditure incurred by the local government from its municipal fund in the last completed financial year.

The Trading Undertaking means an activity carried on by a local government with a view to producing profit.

Before the Shire enters into a Major Land Transaction or commences a Major Trading Undertaking, it is required to prepare a Business Plan that includes an overall assessment of the proposed Major Trading Undertaking and Major Land Transaction including:

- a) expected effect on the provision of facilities and services by the Shire;
- b) expected effect on other persons providing facilities and services in the district;
- c) expected financial effect on the Shire;
- d) expected effect on the Shire's Plan for the future;
- e) the ability of the Shire to manage the performance of the transactions; and
- f) any other matter prescribed for the purposes of the subsection.

The Local Government Act 1995 also requires the Shire to give state-wide public notice that:

- the Shire proposes to enter into a Major Land Transaction and Major Trading Undertaking described in the notice; and
- a copy of the Business Plan may be inspected or obtained at any place specified in the notice.

The Shire is to make a copy of the Business Plan available for public inspection in accordance with the notice. The Shire is to also publish a copy of the Business Plan on its official website.

Submissions about the proposed land transaction or undertaking may be made to the Shire before a day to be specified in the notice, being a day that is not less than six weeks after the notice is given.

After the last day for submissions, the Shire is to consider any submissions made and may decide by absolute majority to proceed with the undertaking and transaction as proposed or so that it is not significantly different from what was proposed.

Public notice is also required for any proposed disposition of property and land, by way of lease, license or sale pursuant to Section s.3.58 and 3.59 of the Local Government Act 1995.

Section 3.58 of the Local Government Act 1995 states;

(3) A local government can dispose of property other than under subsection (2) if, before agreeing to dispose of the property –

(a) it gives local public notice of the proposed disposition –

- (i) describing the property concerned; and
- (ii) giving details of the proposed disposition; and
- (iii) inviting submissions to be made to the local government

before a date to be specified in the notice, being a date not less than 2 weeks after the notice is first given;

In summary, the details of the disposition must be disclosed, including the description of the property in question, the consideration (price) and the market value.

Public comments are to be invited on the proposed disposition and the submissions will be considered by Council after the closing date, should submissions be made.

POLICY IMPLICATIONS

N/A

FINANCIAL IMPLICATIONS

Financial analysis has been undertaken for the option of leasing land for workers accommodation.

The proposed lease indicates that a lease for workers accommodation will include but not limited to:

- Annual lease fee for the portion of land estimated up to \$550,000
- Payment of land and sewerage rates
- Payment of fees and charges for disposal of waste
- Contribution towards infrastructure estimated up to \$800,000

Additional revenue from the proposed lease of land for workers accommodation will assist the Shire to maintain or increase the level of services to the community, in an environment of escalating costs and decrease in valuation of the majority of residential, commercial, generally industry and light industry properties in the Shire. The Shire has an ongoing obligation to provide and maintain significant community assets including facilities roads and waste and water infrastructure and deliver services.

2022/23 Budget

The Shire has adopted its 2022/23 Annual Budget. The 2022/23 budget concentrates on core services, efficiencies, an extensive array of community initiatives and renewal and maintenance of the Shires many assets.

The 2022/2023 Annual Budget highlights operating revenue of \$26,895,575 compared to \$13,821,180 in 2021/2022 and operating expenditure of \$24,079,858 compared to \$16,728,630 in 2021/2022. Consequently, for the 2022/2023 year the budget operating surplus is \$2,815,717 compared to an operating deficit in 2021/2022 of \$2,907,450. This extraordinary turn around estimated at \$5,723,167 is a direct result of the progression of new revenue generating opportunities. Furthermore, for the first time, the Shire will end up with an estimated positive operating surplus ratio.

The 2022/2023 Annual Budget also highlights an estimated \$7,296,251 net cash provided by operating activities. The significance of this cannot be underestimated. Very few local governments in WA would have a ratio of 74% of rates revenue contributing to the renewal of road, building, footpath, drainage and community infrastructure.

Further highlights of the 2022/2023 Annual Budget include an ambitious estimated capital expenditure programme of \$29.7 million. This includes;

- Renewal Carins Road \$900,000
- Renewal Coolgardie North Road \$400,000
- Renewal Gnarlbine Road \$200,000
- Renewal Ladyloch/Tindals Intersection \$400,000
- Renewal Sharpe Drive Kurrawang \$300,000
- Coolgardie Sewerage Renewal \$1,600,000
- Drainage Renewal \$100,000
- Coolgardie Refuse Site Renewal \$275,000
- Processing Facility for Plastics and Tyres Coolgardie Refuse Site \$4,000,000
- Kambalda Airport Runway Renewal including lighting and fencing \$6,650,000
- EV Charging Station \$100,000
- Completion of Coolgardie Cultural and Community Hub \$640,000
- Coolgardie Cultural and Community Hub Fit Out \$150,000
- Tyre Shredder for Coolgardie Refuse Site \$1,000,000
- Completion of Kambalda Workers Accommodation Village \$7,300,000
- Land Development Planning \$80,000
- Repayment of Borrowing estimated at \$1.8 million

Operating Highlights of the 2022/2023 Annual Budget include estimated expenditure of \$10.5 million and increase of \$1.7 million from 2021/2022 ;

- Kambalda Resource Centre operations and activities \$148,000
- Coolgardie Resource Centre operations and activities \$234,100
- Meals on Wheels programme \$60,000
- Law and order and public safety \$244,000
- Provision of Health Services \$480,000
- Provision of mental health and wellbeing \$100,000
- Maintenance aged care accommodation \$127,000
- Provision of waste services \$1,840,000
- Coolgardie Swimming Pool operations and activities \$290,275
- Kambalda Swimming Pool operations and activities \$568,000
- Maintenance Parks, Gardens and Reserves \$1,239,000
- Coolgardie Recreation Centre operations and activities \$429,000
- Kambalda Recreation Centre operations and activities \$1,150,000
- Community Development and Heritage \$403,000
- Road, footpath, verge maintenance \$2,160,000
- Tourism and Area promotion and activities \$592,000
- Economic Development \$470,000

Direct Community Benefit

The revenue from the proposed lease for worker's accommodation village will contribute directly to benefit the community. The revenue will not be used to off-set the Shire's overheads or cost of administration. The revenue will be used to maintain and enhance services, community programmes and events and community infrastructure.

STRATEGIC IMPLICATIONS**A thriving local economy**

Supporting and encouraging mining and processing industries

Accountable and effective leaders

Demonstrating sound financial management and plans for the Shire's long term financial sustainability

An inclusive, safe and vibrant community

Attracting funding to support the sustainability and growth of our local Community groups

Effective management of infrastructure, heritage and environment

Facilitating urban and rural planning and development

ATTACHMENTS

1. **J McLeod Submission - Major Land Transaction and Major Undertaking Reserve 8693, Lot 2435 Gnarlbine Road**

VOTING REQUIREMENT

Absolute Majority

SPECIAL COUNCIL RESOLUTION AND OFFICER RECOMMENDATION

That Council APPROVES BY ABSOLUTE MAJORITY the Shire Coolgardie Lease Goldfields Camp Services Pty Ltd Business Plan for Major Land Transaction and Major Trading Undertaking, in accordance with Section 3.59 of the Local Government Act 1995, to lease a portion of Lot 2435 on Plan 107089 - Currently Crown Reserve 8693 vested in the Shire of Coolgardie Lot 2435 Gnarlbine Road, Coolgardie, Western Australia for up to 600 room workers accommodation village.

9.1.4 RFT 12/2022 - PROPOSED KAMBALDA ACCOMMODATION VILLAGE EXPANSION PROJECT

Location: Kambalda
Applicant: NIL
Disclosure of Interest: NIL
Date: 8 February 2023
Author: Celia Jordaan, Consultant

SUMMARY

That Council award Tender 12/2022 – Kambalda Accommodation Village Expansion Project to JMAC Civil Pty Ltd for Separable Portions 1,2,3 4 and 5 on a direct purchase and capital works basis.

BACKGROUND

The Shire of Coolgardie issued a Request for Tender for the supply and installation of an additional 100 camp rooms and 2 laundries to expand its existing Bluebush Accommodation Village in Kambalda on the separable portions as set out in the RFT Scope of Works.

The RFT was advertised on 23 December 2022 via Tenderlink, Shire website, Kalgoorlie Miner and West Australian with submissions closing at 4pm Thursday 19 January 2023.

COMMENT

The scope of works was broken down into the following separable portions:-

- a. **Separable Portion 1: Facility Supply**, including sourcing and/or manufacturing of the rooms and laundries and supply and installation of all fixtures, fittings and related supply as well as the required information and details to tie-in and install the units and facilities (e.g. power consumption, water requirements, layout).
- b. **Separable Portion 2: Planning and Approvals**, including development application planning and approvals, layout and detailed design of the Kambalda Village expansion and oversight and supervision as registered builder.
- c. **Separable Portion 3: Site Preparation Works**, including site clearing, bulk earthworks and site preparation.
- d. **Separable Portion 4: Freight, Delivery and Placement**, including transportation, delivery, building placement, tie-ins and connection of items supplied/sourced/for installation (e.g. air conditioners);
- e. **Separable Portion 5: Ancillary Camp Works**, including footpaths, pathways, parking, landscaping, recreational areas and seating, fencing, security and supply and installation of ancillary items such as washing lines, bollards, lighting.

Electrical works and plumbing works were out of scope for this RFT. However, there was a high expectation by the Shire that local contractors will be engaged to assist in various aspects of the installation of the village type accommodation, including the Shire's appointed electrical and plumbing/gas contractors. It is anticipated that the electrical and plumbing works will be completed using existing panel contractors on a similar basis as was completed for the Bluebush Village Camp Facilities.

The Shire reserved the right to include or exclude Separable Portions from the Scope of Works and award the Separable Portions to various contractors.

The following 5 (five) organisations submitted tender offers for the Kambalda Village Expansion Project as set out in the RFT (in no particular order) on the financial basis and for the Separable Portions as indicated below:

No	Tenderer	Financial Basis	Separable Portions Offered
1	Fleetwood WA & SA Pty Ltd	Direct Purchase Only	Separable Portion 1 only
2	Jinski Pty Ltd	Option to Lease/Buy Direct Purchase	Separable Portions 1, 2, 3, 4 and 5
3	JMAC Civil Pty Ltd	Option to Lease/Buy Direct Purchase	Separable Portions 1, 2, 3, 4 and 5
4	Rangecon Pty Ltd	Direct Purchase Only	Separable Portions 1, 2, 3, 4 and 5
5	Zenacon Pty Ltd	Direct Purchase Only	Separable Portions 1, 2, 3, 4 and 5

The tenders were assessed against meeting the requirements with respect to compliance, qualitative criteria and pricing criteria. The outcome of the assessment completed, is set out below and included in the related documentation as provided with this Tender Assessment Workbook.

The detailed process and outcome of the tender assessment completed (including the pricing breakdown for the respective Separable Portions), is as detailed in this Tender Assessment Workbook.

In terms of the evaluation of the RFT, the RFT evaluation was broken down into the following main stages:

- a. Stage 1: Mandatory Criteria
- b. Stage 2: Compliance Criteria
- c. Stage 3: Qualitative Criteria (assessed against Separable Portion 1 – Direct Purchase only and against All Separable Portions combined)
- d. Stage 4: Pricing.

The selection criteria and weighting for the RFT was as follows:

CRITERIA	WEIGHTING
Works Delivery and Execution	20%
Experience and Resources	40%
Pricing	40%

The overall scoring against the evaluation criteria was as follows:

Separable Portion Assessed	Fleetwood	Jinski	JMAC	Rangecon	Zenacon
Separable Portion 1 – Direct Purchase	71%	58%	76%	75%	64%
All Separable Portions		55%	80%	71%	64%

The evaluation panel assessed that it delivered best value for money to the Shire to:

- a. award all separable portions included in the RFT to JMAC Civil Pty Ltd based on the selection criteria, the overall price and ability to deliver and install the facilities by 30 June 2023;
- b. not to award any tender based on a lease/buy basis as the external financing offers received by the Shire, delivered better value for money to the Shire than the lease/buy back options included in the RFT.

It is estimated that the electrical and plumbing/sewerage installation works will be approximately \$2.0 million. The Shire has issued a tender RFT 01/2023 for installation of the proposed village expansion. The tenders will be considered at a special meeting in early March.

CONSULTATION

Barry Donkin, Project Manager

John Ravlic, Commercial Services Consultant

Celia Jordaan, Procurement/Contract Consultant

STATUTORY ENVIRONMENT

Local Government Act 1995, Section 3.57

POLICY IMPLICATIONS

NIL

FINANCIAL IMPLICATIONS

The funds for installation of the accommodation village in Kambalda are included in the recommendation and any further requirements will be dealt with as part of the 2022/2023 Budget Review and Review of the LTFP. Council may be required to increase 2023/2024 budget allocations for the project for both expenditure and revenue.

STRATEGIC IMPLICATIONS**A thriving local economy**

Encouraging and attracting new investment and advocating for local employment

Accountable and effective leaders

High quality corporate governance, accountability and compliance

ATTACHMENTS

1. Tender Assessment Workbook - Confidential
2. Tender 12/2022 - Compliance Assessment - Confidential
3. Tender 12/2022 - Finance Option Comparison - Confidential
4. Tender 12/2022 - Qualitative Assessment - Confidential
5. Draft Lease - Confidential

VOTING REQUIREMENT

Absolute Majority

SPECIAL COUNCIL RESOLUTION AND OFFICER RECOMMENDATION**That Council:-**

1. Accept the tender submitted by JMAC Civil Pty Ltd ABN 90 643 460 557 for the supply, delivery and installation of the Kambalda Village Expansion Project for:
 - a. Separable Portion 1: Facility Supply, including sourcing and/or manufacturing of the rooms and laundries and supply and installation of all fixtures, fittings and related supply as well as the required information and details to tie-in and install the units and facilities (e.g., power consumption, water requirements, layout).
 - b. Separable Portion 2: Planning and Approvals, including development application planning and approvals, layout and detailed design of the Kambalda Village expansion and oversight and supervision as registered builder.
 - c. Separable Portion 3: Site Preparation Works, including site clearing, bulk earthworks and site preparation.
 - d. Separable Portion 4: Freight, Delivery and Placement, including transportation, delivery, building placement, tie-ins and connection of items supplied/sourced/for installation (e.g. air conditioners);
 - e. Separable Portion 5: Ancillary Camp Works, including footpaths, pathways, parking, landscaping, recreational areas and seating, fencing, security and supply and installation of ancillary items such as washing lines, bollards, lighting.

To the total fixed lump sum value of \$4,746,730.04 excluding GST for Separable Portions 1, 2, 3, 4 and 5.

2. That the Council approves a provisional amount to the value of \$81,648.00 excluding GST for minor scope changes, material supplies, trenching, contingencies and design finalisation in addition to the fixed lump sum pricing received from JMAC Civil Pty Ltd;
3. Delegation of authority to the Chief Executive Officer to enter into negotiations with JMAC Civil Pty Ltd ABN 90 643 460 557 to enter into negotiations and finalise the contract with JMAC Civil Pty Ltd for the direct purchase and capital works included in Separable Portions 1, 2, 3, 4 and 5, including the provisional items subject too;
 - a. Clarifications being satisfied associated with any cost savings with its tender submission and;
 - b. Any further variations of a minor nature
4. Delegation of authority to the Chief Executive Officer to enter into negotiations with external leasing companies to finalise the negotiations, financing, lease term (48 months) and contract for the supply of the camp rooms and laundries supplied as part of Separable Portions 1 to the capital value of up to \$3,700,000.00 excluding GST.
5. AUTHORISE the Shire President and Chief Executive are authorised to sign and affix the Common Seal to any required documentation.
6. Approves a budget amendment increase of \$4,746,730.04 for the supply, delivery and installation of the Kambalda Village Expansion Project (Job No. C13097 – Housing and Workers Accommodation) to be funded by an increase in Financing Activities Leasing proceeds up to \$3,700,000 and an increase in Loan Proceeds Housing and Workers Accommodation 090977 of \$1,000,000 .

- 10 NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF MEETING**
- 10.1 Elected Members**
- 10.2 Council Officers**
- 11 CLOSURE OF MEETING**