



Minutes

Special Meeting of Council

***29 May
2023***

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1. DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS

The Presiding Member declared the meeting open at 6:00pm

2. ANNOUNCEMENTS FROM THE PRESIDING MEMBER

Nil

3. ATTENDANCE

Members
Cr W Della Bosca
Cr B Close
Cr J Cobden
Cr L Granich
Cr G Guerini
Cr P Nolan
Cr L Rose

Council Officers	N Warren	Chief Executive Officer
	C Watson	Executive Manager Corporate Services
	G Brigg	Executive Manager Infrastructure

Apologies: Nil
Observers: Nil
Leave of Absence: Nil

4. DECLARATION OF INTEREST

Cr G Guerini declared a Proximity Interest in Item 9.1.1 - Proposed Western Power Installation - Glendower Rd Reserve. Cr Guerini's father owns the land adjacent to the proposed wind farm which is used by the family business which Cr Guerini is a partner in.

5. RESPONSE TO PREVIOUS PUBLIC QUESTIONS TAKEN ON NOTICE

Nil

6. CONFIRMATION OF MINUTES

Nil

7. PRESENTATIONS, PETITIONS AND DEPUTATIONS

Nil

8. DELEGATES' REPORTS

Nil

9.1 Reporting Officer -Chief Executive Officer

Cr G Guerini declared a Proximity interest in item 9.1.1 - Proposed Western Power Installation – Glendower Road Reserve as the proposed location of the wind farm abuts land owned and worked by his Family.

Council Resolution

81/2023

Moved Cr Nolan/Seconded Cr Close

That Cr G Guerini be allowed to remain in Chambers, participate in any debate and vote on item 9.1.1 – Proposed Western Power Installation – Glendower Road Reserve.

CARRIED 6/0

9.1.1 Proposed Western Power Installation – Glendower Road Reserve

File Reference	6.1.1.219 & 10.2.2.6
Disclosure of Interest	None
Voting Requirements	Simple Majority
Author	Nic Warren – Chief Executive Officer
Attachments	Yilgarn Holdings Pty Ltd Correspondence

Purpose of Report

For Council to consider a request to upgrade the Western Power network, to include a new 33 kV power line within the Glendower Road Reserve to service a proposed wind farm development.

Background

As Council would be aware, Shire Executive have been liaising with Yilgarn Holdings Pty Ltd in relation to a proposed Wind farm development within the Shire of Yilgarn.

The proponents of the application have advised and sought the following:

Yilgarn Holdings Pty Ltd propose to construct a wind farm approximately 13 km southeast of Southern Cross townsite located on an area of freehold rural land cleared, and historically used for cropping.

Southern Cross Wind Farm will comprise up to 10 wind turbines for the Phase 1 development, pending receipt of the relevant approvals.

Western Power Networks have undertaken Phase 1 technical assessment and concluded that the wind farm can be connected to existing Western Power Networks infrastructure.

The technical solution proposed by Western Power Networks includes a requirement to construct a new 33 kV power line from the existing 33 kV power line on Marvel Loch Road, running parallel to Glendower Road within the existing road reserve, before terminating at the windfarm (Refer to Attachment B).

It is our understanding that the road reserve on Glendower Road is Vested Crown land, vested to the Shire of Yilgarn. We are hereby seeking your principle support and consent to allow construction of the above, as part of the wind farm development and the Development Application.

The correspondence from Yilgarn Holdings is attached, which includes the attachment referred to above.

Comment

As indicated by the proponent, Glendower Road is a Shire managed road. From a Shire perspective, the installation of a new power line will have minimal impact, however, given significant mining in the area, it may have some ramifications for movement of mining plant and equipment within the area.

In consideration of the above, it is the reporting officer's opinion that Council endorse the proposed 33 kV line to be installed along Glendower Road Reserve, on the following conditions:

- The Shire of Yilgarn remains indemnified from any liability associated with the new line;
- The Shire of Yilgarn incur no costs associated with the installation;
- All relevant legislative requirements are adhered to by the proponents and Western Power; and
- If required by Western Power, local mining entities are consulted in regards to impact to their operations from the installation of the line.

Statutory Environment

Nil

Strategic Implications

Nil.

Policy Implications

Nil.

Financial Implications

Nil.

Risk Implications

Risk Category	Description	Rating (Consequence x Likelihood)	Mitigation Action
Health/People	Nil	Nil	Nil
Financial Impact	Nil	Nil	Nil
Service Interruption	Nil	Nil	Nil
Compliance	Nil	Nil	Nil
Reputational	Damage to reputation from not supporting a green energy initiative	Moderate (6)	Supporting wind farm through proper assessment and processes ensures Council is supporting green energy initiatives.
Property	Nil	Nil	Nil
Environment	Nil	Nil	Nil

Risk Matrix						
Consequence		Insignificant	Minor	Moderate	Major	Catastrophic
Likelihood		1	2	3	4	5
Almost Certain	5	Moderate (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely	4	Low (4)	Moderate (8)	High (12)	High (16)	Extreme (20)
Possible	3	Low (3)	Moderate (6)	Moderate (9)	High (12)	High (15)
Unlikely	2	Low (2)	Low (4)	Moderate (6)	Moderate (8)	High (10)
Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Moderate (5)

Officer Recommendation and Council Decision

82/2023

Moved Cr Nolan/Seconded Cr Close

That Council endorse the installation of a 33 kV power line along the Glendower Road Reserve, for the purposes of servicing a proposed wind farm by Yilgarn Holdings Pty Ltd, on the following conditions:

- *The Shire of Yilgarn remains indemnified from any liability associated with the new line;*
- *The Shire of Yilgarn incur no costs associated with the installation;*
- *All relevant legislative requirements are adhered to by the proponents and Western Power; and*
- *If required by Western Power, local mining entities are consulted in regards to possible impacts to their operations from the installation of the line.*

LOST 0/7

Council Resolution

83/2023

Moved Cr Nolan/Seconded Cr Granich

Council, in relation to the request from Yilgarn Holdings Pty Ltd to endorse the construction of a 33 kV powerline along the Glendower Road reserve from Marvel Loch Road, requests the following information from the proponent:

- *Provide comments or detail from Western Power as to why this solution was proposed;*
- *Provide detail on the alternative options considered, and why these were deemed unsuitable;*
- *If no alternatives were considered, Council seek for the proponents to investigate whether the following are feasible:*
- *Connection to the existing 33 kV line running along a portion of Glendower Rd (C1024418);*
- *Connection to existing 33 kV line running alongside the 220 kV line of which intersects with Glendower Road (C1172029)*

CARRIED 7/0

Reason for alternative motion:

Council wanted to ensure there were no other suitable alternative solutions, seeking to ensure that clearing associated with the installation of the line could be minimised.

17th May 2023

Yilgarn Holdings Pty Ltd
Suite 3
138 Main Street
Osborne Park
WA 6017



Mr Nic Warren
Chief Executive Officer
Shire of Yilgarn
23 Antares Street
Southern Cross
WA 6426

Dear Mr Warren,

Yilgarn Holdings Pty Ltd propose to construct a wind farm approximately 13 km southeast of Southern Cross townsite located on an area of freehold rural land cleared, and historically used for cropping.

Southern Cross Wind Farm will comprise up to 10 wind turbines for the Phase 1 development, pending receipt of the relevant approvals.

Western Power Networks have undertaken Phase 1 technical assessment and concluded that the wind farm can be connected to existing Western Power Networks infrastructure.

The technical solution proposed by Western Power Networks includes a requirement to construct a new 33 kV power line from the existing 33 kV power line on Marvel Loch Road, running parallel to Glendower Road within the existing road reserve, before terminating at the windfarm (*Refer to Attachment B*).

It is our understanding that the road reserve on Glendower Road is Vested Crown land, vested to the Shire of Yilgarn. We are hereby seeking your principle support and consent to allow construction of the above, as part of the wind farm development and the Development Application.

I would be grateful for any assistance and feedback on the proposal described above.

Sincerely,

David Beardsmore.

Managing Director
Yilgarn Holdings Pty Ltd.

Attachment A.
Southern Cross Wind Farm Location



Figure 1: Southern Cross Wind Farm Location

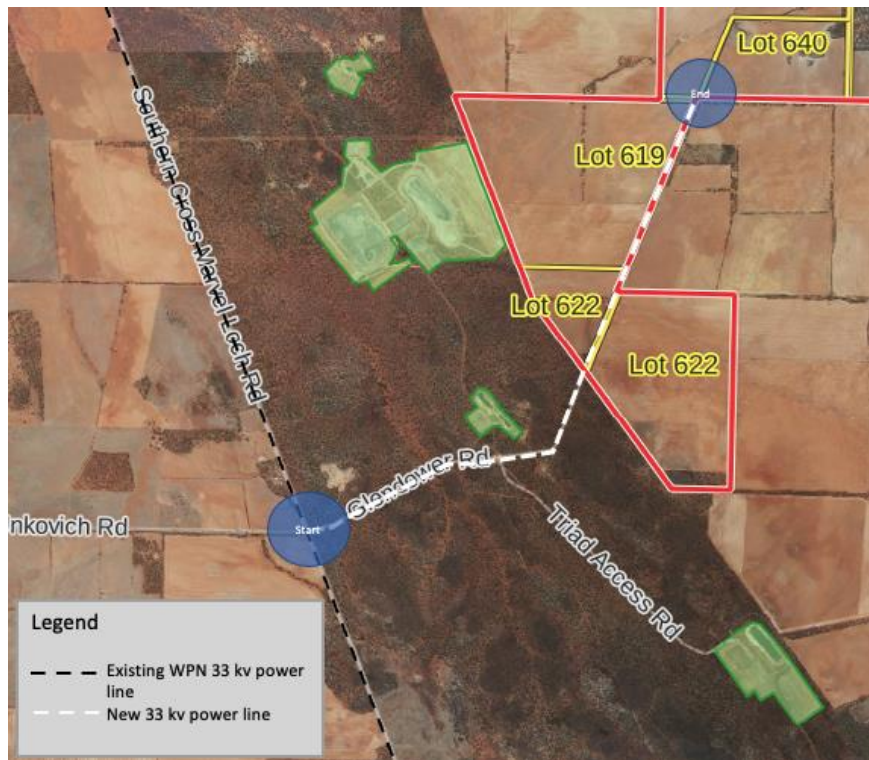
Legend

- Aerodrome
- Development Site
- Mine Site
- Lot Boundary Within Development Site

© 2023. Whilst every care has been taken to prepare this map, Yilgarn Holdings makes no representations or warranties about its accuracy, reliability, completeness or suitability for any particular purpose and cannot accept liability and responsibility of any kind (whether in contract, tort or otherwise) for any expenses, losses, damages and/or costs (including indirect or consequential damage) which are or may be incurred by any party as a result of the map being inaccurate, incomplete or unsuitable in any way and for any reason. Date printed: 2023-04-20.

Ref: 210_012_RevA.ggp

Attachment B.
New 33kV Power Line Route



Road Reserve Details	
Name:	ID:
P Road	37744570
P Road	37744569
P Road	3744571
P Road	3712175

Attachment C.
Typical overhead solution for 33 kV Power



9.1 Reporting Officer -Chief Executive Officer

9.1.2 2023 WALGA Annual Convention

File Reference	1.6.21.12
Disclosure of Interest	None
Voting Requirements	Simple Majority
Author	Nic Warren – Chief Executive Officer
Attachments	Local Fixtures-2023 WA Local Government Convention

Purpose of Report

To inform Councillors that the annual WA Local Government Convention will be conducted at Crown Perth between Sunday, 17 and Tuesday, 19 September 2023.

Background

The Conference program is attached, and the theme for the year is “Local Futures”.

As per the Convention notice, *“Themed Local Futures, this year’s Convention will explore how Local Governments can enact and drive change for the benefit of their communities and the diversity of solutions that can emerge when you start local.”*

The conference is to be held between Sunday, 17 and Tuesday, 19 September 2023.

Comment

The Cr’s Della Bosca, Close and Rose along with the CEO represented Council at the 2022 Convention.

To allow staff to adequately plan for the 2023/2024 budget, it would be appreciated if Councillors could advise the CEO as early as possible of their intention to attend the 2023 Conference.

Early notification and registration may also provide better access to subsidised accommodation at Crown.

The CEO will seek voting delegates for the WALGA AGM from Councillors attending at a later date.

Statutory Environment

Nil.

Strategic Implications

Shire of Yilgarn Strategic Community Plan – Civic Leadership Strategy – Ensure training programs for Elected Members and Staff.

Policy Implications

Nil.

Financial Implications

Council allocates funds within its Annual Budget to accommodate those Councillors wishing to attend the Convention.

Risk Implications

Risk Category	Description	Rating (Consequence x Likelihood)	Mitigation Action
Health/People	Nil	Nil	Nil
Financial Impact	Nil	Nil	Nil
Service Interruption	Nil	Nil	Nil
Compliance	Nil	Nil	Nil
Reputational	Nil	Nil	Nil
Property	Nil	Nil	Nil
Environment	Nil	Nil	Nil

Risk Matrix						
Consequence		Insignificant	Minor	Moderate	Major	Catastrophic
Likelihood		1	2	3	4	5
Almost Certain	5	Moderate (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely	4	Low (4)	Moderate (8)	High (12)	High (16)	Extreme (20)
Possible	3	Low (3)	Moderate (6)	Moderate (9)	High (12)	High (15)
Unlikely	2	Low (2)	Low (4)	Moderate (6)	Moderate (8)	High (10)
Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Moderate (5)

Officer Recommendation and Council Decision

84/2023

Moved Cr Cobden/Seconded Cr Rose

That Council authorises the CEO and any willing Councillors to attend the 2023 WALGA annual convention, at Crown Perth between Sunday, 17 and Tuesday, 19 September 2023.

Councillors are to advise the CEO of their intention to attend the 2023 Convention.

CARRIED 7/0



Local Futures

2023 WA Local Government Convention

PROGRAM

Sunday 17 September

3.30pm – 5.00pm Mayors and Presidents Forum
5.00pm – 8.30pm Welcome Drinks

Monday 18 September

7.00am – 9.00am Breakfast with Heads of Agencies (invitation only)
9.00am – 11.30am Convention Opening
Keynote Speaker: Dominic Thurbon - Business Disruption, Behavioural Change and Transformation expert
11.30am - 12.00pm Morning Tea
12.00pm - 1.15pm State Political Panel Session with Ben Harvey, Chief Reporter, *The West Australian newspaper*
1.15pm - 2.00pm Lunch
2.00pm - 5.00pm WALGA AGM
5.00pm - 6.00pm Break
6.30pm - 9.30pm Gala Cocktails

Tuesday 19 September

7.30am - 9.00am Convention Breakfast with Michelle Payne (separate registration)
9.00am - 9.50am Federal Minister Address and Q&A
10:00am Supplier Showcase opens
9.50am - 11.00am Diversity Panel Session
11.00am - 11.30am Morning Tea
11.30am - 1.00pm Plenary Sessions: Active Mobility and Regional Housing
1.00pm - 1.45pm Lunch
1.45pm - 3.30pm Closing Keynote and President's Close
3.30pm Conference closes

Additional events

Tuesday 19 September

Supplier Showcase | Planning Showcase | Construction Panel Session

Wednesday 20 September

Supplier Showcase | Procurement Forum | Sustainability Forum



WALGA

9.2 Reporting Officer -Executive Manager Corporate Services

9.2.1 Differential Rates – 2023/2024

File Reference	8.1.1.5
Disclosure of Interest	Nil
Voting Requirements	Absolute Majority
Author	Cameron Watson-Executive Manager Corporate Services
Attachments	Submission from MMTS Pty Ltd

Purpose of Report

To consider the proposed Differential Rate in the dollar for the 2023/2024 financial year for all land categories that was advertised in accordance with the *Local Government Act (1995)*.

Background

At the April 2023 Ordinary meeting, Council resolved the following as the commencement of the Differential Rating process for the 2023/2024 financial year:-

57/2023

Moved Cr Close Seconded Cr Granich

That Council:

- 1. Endorse the Differential Rating – Objects and Reasons for the 2023/2024 rating year as presented;*
- 2. Endorse the following proposed Differential General Rates Categories, Rates in the Dollar and Minimum amounts for the Shire of Yilgarn for the 2023/2024 financial year:*

<i>Land Category</i>	<i>Rate – Cents in the Dollar</i>	<i>Minimum Payment</i>
<i>GRV - Residential/Industrial</i>	<i>11.6294</i>	<i>\$600</i>
<i>GRV - Commercial</i>	<i>8.1865</i>	<i>\$450</i>
<i>GRV - Minesites</i>	<i>16.3727</i>	<i>\$450</i>
<i>GRV -SPQ</i>	<i>16.3727</i>	<i>\$450</i>
<i>UV - Rural</i>	<i>1.5114</i>	<i>\$450</i>
<i>UV - Mining</i>	<i>16.3037</i>	<i>\$450</i>

- 3. Endorse a public notice and consultation process on the proposed Differential General Rates and General Minimum Rates as follows:*
 - Local public notice being place on Councils website on Monday, 1st May 2023 with ancillary notices being published as soon as practicable after this, as per the requirements of section 6.36 of the Local Government Act 1995.*
 - Individual ratepayer consultation for all ratepayers in General Rate Categories with less than 30 ratepayers.*

CARRIED (5/1)

Cr Nolan voted against the decision.

The intent for the proposed Rates in the Dollar (RID) endorsed by Council was to apply a minimal rate increase of 2.5%. It will be proposed that, due to significant increases in the valuation of agricultural land (UV Rural) and Mining Tenements (UV Mining) that a lower RID be applied to maintain the previously endorsed 2.5% increase in rates raised.

At the time of presenting this item to Council, the general GRV revaluation details have not been received from the Valuer Generals office and as such, no change to the RID for these rate categories is being recommended. As the RID for these rate categories do not require Ministerial approval, if necessary, amendments to the RID for GRV categories can be made during budget deliberations.

In accordance with Section 6.33 (3) of the Local Government Act 1995, a Local Government is not, without the approval of the Minister, to impose a differential general rate which is more than twice the lowest differential general rate imposed by it.

With the Differential General Rates being proposed in the 2023/2024 Rating Strategy and Objects & Reasons, Council falls under the umbrella of this section of the Act. Note however that it is only applicable to UV Mining.

Accordingly, Ministerial approval is required and the proposal to impose this rate required that it be advertised for a period of not less than 21 days with any submissions received subsequently being presented to Council for consideration.

Comment

Following the statutory advertising period (21 days) and being advertised on Council website on the 1st May 2023, in the “*Kalgoorlie Miner*” on the 5th of May 2023, the “*Crosswords*” on the 11th May 2023 as well as the Administration and Library notice boards. At the close of the submission period of Wednesday, 24rd May 2023, one submission was received from McMahon Mining Title Services Pty Ltd.

The submission from McMahon Mining Title Services Pty Ltd is for reference only as it is general in nature and does not relate to any specific elector/s or ratepayer/s as required by s.6.36 (3)(b)(ii) of the Local Government Act 1995 and as such a specific response has not been provided. It should also be mentioned that the primary concern raised in the submission is the level of increase the State Government has imposed on tenement lease fees which are outside the scope of Councils influence.

Statutory Environment

Local government Act 1995

6.33. Differential general rates

- (3) In imposing a differential general rate a local government is not to, without the approval of the Minister, impose a differential general rate which is more than twice the lowest differential general rate imposed by it.

6.36. Local government to give notice of certain rates

- (1) Before imposing any differential general rates or a minimum payment applying to a differential rate category under section 6.35(6)(c) a local government is to give local public notice of its intention to do so.
- (2) A local government is required to ensure that a notice referred to in subsection (1) is published in sufficient time to allow compliance with the requirements specified in this section and section 6.2(1).
- (3) A notice referred to in subsection (1) —
 - (a) may be published within the period of 2 months preceding the commencement of the financial year to which the proposed rates are to apply on the basis of the local government's estimate of the budget deficiency; and
 - (b) is to contain —
 - (i) details of each rate or minimum payment the local government intends to impose; and
 - (ii) an invitation for submissions to be made by an elector or a ratepayer in respect of the proposed rate or minimum payment and any related matters within 21 days (or such longer period as is specified in the notice) of the notice; and
 - (iii) any further information in relation to the matters specified in subparagraphs (i) and (ii) which may be prescribed;and
 - (c) is to advise electors and ratepayers of the time and place where a document describing the objects of, and reasons for, each proposed rate and minimum payment may be inspected.
- (4) The local government is required to consider any submissions received before imposing the proposed rate or minimum payment with or without modification.

Strategic Implications

The 2023/2024 Rating Strategy, contains a detailed information on the proposed rating structure.

Policy Implications

Nil

Financial Implications

The endorsed rate in the dollar will form the basis of the 2023/2024 budgeted rates revenue.

Officer Recommendation and Council Decision

85/2023

Moved Cr Close/Seconded Cr Rose

That Council:

1. *Council notes that it has complied with Sections 6.36 of the Local Government Act 1995 in respect advertising requirements and preparation of the 2023/2024 “Rating Strategy” and “Objects and Reasons” documents;*
2. *Receives the submissions from McMahon Mining Title Services Pty Ltd and notes the comments made therein;*
3. *Endorse the following proposed Differential General Rates Categories, Rates in the Dollar and Minimum amounts for the Shire of Yilgarn for the 2023/2024 financial year:*

Land Category	Rate – Cents in the Dollar	Minimum Payment
GRV - Residential/Industrial	11.6294	\$600
GRV - Commercial	8.1865	\$450
GRV - Minesites	16.3728	\$450
GRV -Single Persons Quarters	16.3728	\$450
UV - Rural	1.2500	\$450
UV - Mining	14.9184	\$450

and

4. *Make application to the Minister for Local Government to impose the UV Mining Differential Rate, being more than twice the lowest differential UV rate.*

CARRIED 6/1

Cr Nolan voted against the decision

23 May 2023

Chief Executive Officer
Shire of Yilgarn
PO Box 86
SOUTHERN CROSS WA 6426

By email: yilgarn@yilgarn.wa.gov.au

SUBMISSION - DIFFERENTIAL RATING 2023/2024

Thank you for the opportunity to make a submission regarding the proposed rates for 2023/24.

We note that valuations provided by the Valuer General are used in calculating mining tenement rates, and these valuations are based on the rent imposed by the Department of Mines, Industry Regulation and Safety. Any increases in the rent therefore result in an increase in valuations and in turn an automatic increase in rates.

Effective from 1 July 2022, the Department increased the rent rate for exploration licences by 4.79%, prospecting licences by 6.06% and mining leases by 9.09%. With the Shire proposing an increase in the rates in the dollar for 2023/24 from 0.15906 to 0.163037, a significant increase in the actual rates levied will occur as illustrated in the table below.

		2022/23 RID	0.15906	2023/24 Proposed RID	0.163037
	2022 Rates	2023 Rates - no change in RID	Percentage increase in rates - no change in RID	2023 Rates - proposed increase to RID	Percentage increase in rates - proposed increase to RID
P (200Ha)	\$524.90	\$556.71	6%	\$570.63	8.7%
E (10sbk)	\$580.57	\$608.40	5%	\$623.62	7.4%
M (100Ha)	\$1,749.66	\$1,908.72	9%	\$1,956.44	11.8%

The exploration and mining industry is one of the most significant contributors to the State's economy. It has played an integral role in the development and enduring strength of this State, creating jobs and opportunities across the State but particularly in remote and regional parts of Australia. The industry is undoubtedly critical to the continued economic recovery of the State and country which has been severely impacted by the COVID-19 crisis. While the resources sector is slowly recovering, it continues to be constrained by the ongoing labour, supply and capital shortages stemming from the pandemic and recent world events.

To support the continued contributions made by the resources sector to the State economy it is critical that all government fees are set so as to reduce the cost of doing business in the State in the face of ever increasing international competition wherever possible, and increase and incentivise investment in local exploration to discover vital new resources which benefit the whole of the State.

I would be happy to discuss this matter further on (08) 6467 7997.

Yours faithfully,



Shannon McMahon
Director
McMahon Mining Title Services

9.3 Reporting Officer– Executive Manager Infrastructure

9.3.1 Forward Ordering of New Tracked Compact Loader (Skid Steer)

File Reference	6.6.8.11 & 6.6.5.14
Disclosure of Interest	Nil
Voting Requirements	Absolute Majority
Author	Glen Brigg-Executive Manager Infrastructure
Attachments	Nil

Purpose of Report

For Council to consider tenders received through the WALGA Preferred Suppliers tendering network for the purchase of a new Compact Track Loader, and sale of the Caterpillar 262 skid steer and commit to funding the purchase and sale in the 2023/2024 annual budget.

Background

Council’s staff have utilized the Preferred Supplier Service offered by the Western Australian Local Government Association (WALGA) to seek tenders for the purchase of a new Compact Track Loader and sale of the Caterpillar 262 skid steer. Three preferred suppliers were asked for quotations which included Westrac (Caterpillar) and Clark Equipment (Bobcat) and ASV (ASV). Clark Equipment didn’t tender for the replacement as they won’t have a machine available for up to 2 years.

Due to long delivery times for all types of machinery, staff tested the market to check how long it would take from order to delivery for a compact tracked loader as customers are currently waiting in excess of 12 months all types of plant. The 2023/2024 plant replacement program includes replacing the Caterpillar 262 skid steer with a fit for purpose unit that will improve utilisation and increase productivity across other areas of the operations.

Staff are seeking Council’s commitment for the sale and purchase of machines, such that orders can be placed now and given current lead times, plant can be received in the financial year corresponding to the approved plant replacement program.

This machine will be a rubber tracked machine which includes a forestry pack. The forestry pack improvements include high flow hydraulics, increased hydraulic cooling, debris guarding and a bullet proof door. All these options are needed when running the vegetation attachment. A tracked machine is required when maintaining the waste disposal sites.

Comment

Staff assess the whole operational requirements, cost efficiencies and if plant is fit for purpose, before any recommendation. Plant and equipment controlled by council is replaced at its optimum replacement point, or when it is no longer suitable for its intended operation within Council.

Westrac have provided the Shire of Yilgarn an opportunity to order a tracked compact loader (skid Steer) which can be delivered before the end of 2023. Any reduction in delivery times

will help reduce costs and increase road construction capabilities, as the heavy truck won't be required to shift the loader each week to maintain the outlaying waste disposal sites.

Pre-ordering the compact track loader is in line with the 2023-2024 budget. Pre-ordering the machine before the adoption of the 2023-2024 budget will not affect the current budget.

The Local Government (Functions and General) Regulations 1996 state,

30. Dispositions of property excluded from Act s. 3.58

(3) A disposition of property other than land is an exempt disposition if—

(a) its market value is less than \$20 000; or

(b) the entire consideration received by the local government for the disposition is used to purchase other property, and where the total consideration for the other property is not more, or worth more, than \$75,000.

The below table details the new machine pricing and trade values:

Tenderer	Machine	Price (ex GST)	Optional Warranty	Caterpillar 262 skid steer trade (Ex GST)	Changeover (Ex GST)
Westrac	Caterpillar 299D3 XE	\$230,118.50	48 months 3,000 hrs	\$63,000	\$167,118.50
ASV Sales and Service	ASV RT-135	\$256,035	24 months 2,000 Hrs	No trade offered	\$256,035

Staff offered the Caterpillar 262 for outright sale utilising WALGA's services.

Outright Sale Prices received in table below,

Company	Caterpillar 262 Skid Steer
Allied Equipment Sales	\$48,000
Allused Equipment	\$22,550
Smith Broughton	\$52,727

Westrac's submission also provides for the following services;

- Asset tracking: Remotely monitored equipment location across multiple sites and pinpoint opportunities to improve scheduling, identify under-utilization and plan maintenance when it's convenient.
- Fleet Management: Monthly summary of asset fault codes, run time, fuel burn and idle time. Compare your averages to similar assets in the region to spot operational issues and fix them.
- Equipment inspections: Maximize uptime by having Westrac conduct regular assessments of key components and systems. Expert recommendations to increase availability and reduce costs.

- S•O•SSM fluid analyst: Know what’s happening inside any machine in your fleet so you can take proactive steps to prevent failures, reduce downtime and maintain production.
- Condition monitoring: Bring asset data together, fluid analysis, inspection results and more for a full picture of fleet health. Get proactive alerts and expert recommendations when an asset needs attention.
- Maintenance and repair execution: Get all planned maintenance services and planned component repairs at a fixed cost for the life of your covered equipment, so council can better manage budgets and schedules.

As such, it is recommended that Council:

- Accepts the tendered price of \$230,118.50 (Ex GST) from Westrac to purchase a new 299D3 XE Tracked Compact Loader with optional debris package and extended warranty;
- Council accepts Westrac’s offer to trade the existing Caterpillar 262 skid steer for \$63,000 (Ex GST); and
- Council commits to funding the total changeover of \$167,118.50 in the 2023/2024 annual budget.

Statutory Environment

Local Government Act 1995

Local Government (Functions and General) Regulations 1996

Strategic Implications

Purchase is in line with the 2023/2024 plant replacement program and asset management.

Policy Implications

“Council Policy No 3.5 Purchasing and Tendering Policy”

Financial Implications

Replacing the Caterpillar 262 skid steer is in line with the 2023-2024 plant replacement program. While Council is committing funds from the 2023-2024 budget to replace the skid steer, the order can be cancelled at anytime if required.

Risk Implications

Risk Category	Description	Rating (Consequence x Likelihood)	Mitigation Action
Health/People	Nil	Nil	Nil
Financial Impact	Pre-ordering the machine is in line with the 2023-2024 plant replacement.	Low	Pre-ordering the machine will reduce delivery times and improve productivity
Service Interruption	Nil		Nil

Compliance	Nil		Nil
Reputational	Nil		Nil
Property	Nil		Nil
Environment	Nil		Nil

Risk Matrix						
Consequence		Insignificant	Minor	Moderate	Major	Catastrophic
Likelihood		1	2	3	4	5
Almost Certain	5	Moderate (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely	4	Low (4)	Moderate (8)	High (12)	High (16)	Extreme (20)
Possible	3	Low (3)	Moderate (6)	Moderate (9)	High (12)	High (15)
Unlikely	2	Low (2)	Low (4)	Moderate (6)	Moderate (8)	High (10)
Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Moderate (5)

Officer Recommendation and Council Decision

86/2023

Moved Cr Rose/Seconded Cr Guerini

That, by Absolute Majority, in accordance the Local Government Act 1995 and Local Government (Functions and General) Regulations 1996;

1. *Council accepts the tendered price of \$230,118.50 (Ex GST) from Westrac to purchase a new 299D3 XE Tracked Compact Loader with optional debris package and extended warranty;*
2. *Council accepts Westrac's offer to trade the existing Caterpillar 262 skid steer for \$63,000 (Ex GST); and*
3. *Council commits to funding the total changeover of \$167,118.50 in the 2023/2024 annual budget.*

CARRIED BY ABSOLUTE MAJORITY 7/0

9.3 Reporting Officer– Executive Manager Infrastructure

9.3.2 Out of Budget Expenditure 2013 John Deere Replacement

File Reference	6.6.8.11 & 6.6.5.14
Disclosure of Interest	Nil
Voting Requirements	Absolute Majority
Author	Glen Brigg-Executive Manager Infrastructure
Attachments	Nil

Purpose of Report

For Council to consider tenders received through the WALGA Preferred Suppliers tendering network for the replacement of the Shire's 2013 John Deere Backhoe and Caterpillar 924 H loader with one multi-task unit.

Background

Whilst Council's 2022-2023 budget does not make provisions to replace the 2013 John Deere Backhoe (YL330) or the Caterpillar 924H loader, long delays in deliveries of all heavy plant have prompted staff to test the market on wait times as consumers are currently waiting in excess of 12 months from ordering to delivery.

Staff have utilized the Preferred Supplier Service offered by the Western Australian Local Government Association (WALGA). Three preferred suppliers were asked for quotations. Westrac (Caterpillar 444), Komatsu (Komatsu WB97S) and McIntosh (Case 975SV).

The 2023/2024 plant replacement program includes replacing the 2013 John Deere Backhoe and the Caterpillar 924 H loader (waste disposal loader) with one multi task, equal wheeled backhoe loader.

The Caterpillar 924H loader and the 2013 John Deere Backhoe work less than 300 hours per year combined. Combining them into one machine will reduce future maintenance and replacement costs. Replacing, the existing loader and backhoe with one multi task equal wheel backhoe loader will not impact any levels of service.

Comment

Getting the best return on an asset through its entire life is difficult. Whether you are dealing with a truck or heavy plant, Shires must make a series of complex trade-offs between capital and operating costs, throughput and service life. As a result of this complexity, Shires tend to pursue narrow objectives at the expense of overall performance.

Westrac have provided the Shire of Yilgarn an opportunity to purchase an equal wheeled backhoe without delays. A Kalgoorlie contractor who ordered a Caterpillar 444 will no longer accepted the machine, as their construction contract ended, before the machine could be delivered. This machine can be ready for delivery within 4 weeks.

The Local Government (Functions and General) Regulations 1996 state,

30. Dispositions of property excluded from Act s. 3.58

(3) A disposition of property other than land is an exempt disposition if—

(c) its market value is less than \$20 000; or

(d) the entire consideration received by the local government for the disposition is used to purchase other property, and where the total consideration for the other property is not more, or worth more, than \$75,000.

Staff have offered the 2013 John Deere Backhoe and Caterpillar 924H for public tender as both values exceed the \$20,000 threshold.

The table below details the cost for new machines and trade values offered:

Tenderer	Machine	Price (ex GST)	Optional Warranty	Caterpillar 924H Trade	John Deere Backhoe Trade	Changeover (Ex GST)
Westrac	Caterpillar 444	\$249,350	\$1,166.85 48 Months/ 6,000 Hours	\$61,500	\$51,500	\$137,516
McIntosh	Case 695 SV	\$215,000	\$7,000 5 years/5,000 hours	\$75,000	\$45,000	\$102,000
Komatsu	Komatsu WB97S	\$242,987	Included 3 years/6,000 hours	\$91,000	\$47,000	\$104,987

Staff offered the 2013 John Deere Backhoe and Caterpillar 924H for outright sale utilising WALGA's services.

Outright sale prices are detailed in the table below:

Company	Caterpillar 924H Loader	John Deere 315 Backhoe
Allied Equipment Sales	\$84,000 (Ex GST)	\$47,000 (Ex GST)
Allused Equipment	\$77,000 (Ex GST)	\$41,800 (ex GST)
Smith Broughton	\$77,272 (Ex GST)	\$45,454 (Ex GST)

Westrac is one of the world's leading Caterpillar dealers, specialists in the supply and maintenance of Caterpillar earth moving equipment to the mining, construction, forestry, agriculture, Local Government and transport industries in Western Australia, New South Wales and the ACT.

Westrac has an unmatched service network and innovative technology solutions, Westrac offer customers a whole of life management solution designed to make owning and operating equipment easier.

In determining the preferred machine, Staff have considered the following:

- a) Is it fit for purpose
- b) Is it value for money
- c) Whole lifecycle costs
- d) Uptime vs Downtime

- e) After Sales Support
- f) Reliability
- g) Performance
- h) Resale Value

As such, it is recommended that Council accepts:

- The tender from Allied Equipment Sales of \$84,000 (Ex GST) for the outright purchase of the 2009 Caterpillar loader;
- Council accepts the trade price of \$51,500 (Ex GST) from Westrac to trade the 2013 John Deere 315 Backhoe; and
- Council accepts Westrac's offer to purchase a new Caterpillar 444 backhoe for the total price of \$249,350 (Ex GST).

As mentioned, due to the availability of stock, it is proposed to bring the trade forward from 2023/2024 budget to the 2022/2023 budget. To secure the machine it is proposed Council utilises the Plant Reserve to fund the unbudgeted amount of \$113,850 (Ex GST).

Statutory Environment

Local Government Act 1995

Local Government (Functions and General) Regulations 1996

Strategic Implications

Purchase is in line with the 2023/2024 plant replacement program and asset management.

Policy Implications

"Council Policy No 3.5 Purchasing and Tendering Policy"

Financial Implications

The 2022-2023 budget does not make provision for \$113,850 excluding GST for the replacement of the 2013 John Deere Backhoe and Caterpillar 924H loader. The current balance of the plant reserve is \$924,125 and funds from this reserve can be utilised to purchase a replacement backhoe.

Risk Implications

Risk Category	Description	Rating (Consequence x Likelihood)	Mitigation Action
Health/People	Nil	Nil	Nil
Financial Impact	Out of budget expenditure will impact the overall 2022/2023 budget	Moderate (9)	Utilizing the Plant Reserve to fund the changeover will have minimal impact on the 2022/2023 budget.

Service Interruption	Nil	Nil	Nil
Compliance	Nil	Nil	Nil
Reputational	Nil	Nil	Nil
Property	Nil	Nil	Nil
Environment	Nil	Nil	Nil

Risk Matrix						
Consequence		Insignificant	Minor	Moderate	Major	Catastrophic
Likelihood		1	2	3	4	5
Almost Certain	5	Moderate (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely	4	Low (4)	Moderate (8)	High (12)	High (16)	Extreme (20)
Possible	3	Low (3)	Moderate (6)	Moderate (9)	High (12)	High (15)
Unlikely	2	Low (2)	Low (4)	Moderate (6)	Moderate (8)	High (10)
Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Moderate (5)

Officer Recommendation and Council Decision

87/2023

Moved Cr Close/Seconded Cr Guerini

That, by Absolute Majority in accordance Local Government Act 1995 and Local Government (Functions and General) Regulations 1996, that,

- 1. Council accepts the tender from Allied Equipment Sales of \$84,000 (Ex GST) for the outright purchase of the 2009 Caterpillar loader.*
- 2. Council accepts the trade price of \$51,500 (Ex GST) from Westrac to trade the 2013 John Deere 315 Backhoe*
- 3. Council accepts Westrac's offer to purchase a new Caterpillar 444 backhoe for the total price of \$249,350 (Ex GST).*
- 4. That Council utilises the Plant Reserve to fund the unbudgeted amount of \$113,850 (Ex GST) to replace the 2013 John Deere 315 backhoe.*

CARRIED BY ABSOLUTE MAJORITY 7/0

10 APPLICATIONS FOR LEAVE OF ABSENCE

Nil

11 MOTIONS FOR WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil

12 NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF THE MEETING

Nil

13 MEETING CLOSED TO THE PUBLIC-CONFIDENTIAL ITEMS

Nil

14 CLOSURE

As there was no further business to discuss, the Shire President declared the meeting closed at 6:42pm

I, Wayne Della Bosca, confirm the above Minutes of the Meeting held on Monday, 29 May 2023, are confirmed on Thursday, 15 June 2023 as a true and correct record of the 29 May 2023 Special Meeting of Council.

Cr Wayne Della Bosca
SHIRE PRESIDENT