



# MINUTES OF THE SPECIAL COUNCIL MEETING

19 MARCH 2025

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**AGENDA FOR THE SPECIAL MEETING OF COUNCIL TO BE HELD IN COUNCIL CHAMBERS  
ON 19 MARCH 2025 COMMENCING AT 1:04PM.**

**1.0 DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS**

The Presiding Member, Cr GA Cosgrove opened the meeting at 1:04pm and noted, in accordance with r.141 of the *Local Government (Administration) Regulations 1996* this meeting is being recorded.

**2.0 RECORD OF ATTENDANCE/APOLOGIES/APPROVED LEAVE OF ABSENCE**

**Councillors**

Cr GJ Cosgrove	Shire President
Cr HR McTaggart	Deputy President
Cr JD Bagley	Councillor <i>arrived at 5:04pm</i>
Cr JR Holmes	Councillor
Cr AT Pearse	Councillor <i>(by electronic means)</i>
Cr AR Smyth	Councillor
Cr RA Starick	Councillor

**Apologies**

Mrs Helen Sternick	Manager Corporate Services
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**Staff**

Mr Matt Fanning	Chief Executive Officer
Mr Shane Noon	Manager Works
Ms Erin Greaves	Manager Governance and Community
Mr Jack Smith	Senior Finance Officer

**3.0 PUBLIC QUESTION TIME/PUBLIC STATEMENT TIME**

Nil

**4.0 DECLARATIONS OF INTEREST**

Nil.

## 5.0 CHIEF EXECUTIVE OFFICER

### 5.1 TENDER EXEMPT AND MAJOR LAND TRANSACTION PROCESS – HOUSING PROJECTS

Location/Address: Shire of Mingenew  
Name of Applicant: Shire of Mingenew  
Disclosure of Interest: Nil  
File Reference: CP.TEN.24.25  
Date: 2 April 2025  
Author: Matt Fanning, Chief Executive Officer  
Voting Requirements: Simple Majority

#### Summary

To outline the process for procurement activity for housing projects considered to be major land transactions, in accordance with s.3.59 of the *Local Government Act 1995* and approve the business case for public notice and submissions.

#### Key Points

- Council has in its LTFP the delivery of 2 GROH, 2 Key Worker and 3 APU Units
- These three separate projects will require separate contracts due to their different specifications, funding sources and client requirements
- An Offer of Lease for the GROH dwellings would need to be issued prior to any construction. If each build cost was less than \$535,059 then the acquisition is not deemed a major land transaction.
- Council has already performed market research and pricing options from different suppliers to determine the most cost-effective procurement method. This pricing will be the basis for the required major land transaction business case.

#### OFFICER RECOMMENDATION – ITEM 5.1

##### Council:

1. Notes the following housing projects, are deemed potential major land transactions, as per definitions outlined in s.3.59 of the *Local Government Act 1995*:
  - a) Construction and lease of 2 x residential homes for GROH  
(at 71 Phillip Street, Mingenew)
  - b) Construction and lease of 2 x key worker houses for Shire employees and/or other key workers  
(at 8 & 10 Spring Street, Mingenew)
  - c) Construction and lease of 3 x aged persons units  
(at 15 King Street, Mingenew)
2. Endorses the advertising by public notification of the draft business plan for the Essential Workers and Aged Person Accommodation Project as required for major land transactions under s.3.59 of the *Local Government Act 1995*; and
3. Delegates authority to the CEO to conduct an appropriate Tender Exempt procurement process, in accordance with r.11 of the *Local Government (Functions and General) Regulations 1996* for the projects, with the preferred procurement methods being the WALGA Preferred Supplier or Department of Communities' Housing Construction and Refurbishment Builders Panel following the acceptance of any required business plan.

**OFFICER RECOMMENDATION AND COUNCIL DECISION – ITEM 5.1 - RESOLUTION#01190325**

**MOVED:** Cr HR McTaggart

**SECONDED:** Cr JD Bagley

**Council:**

1. Notes the following housing projects, are deemed potential major land transactions, as per definitions outlined in s.3.59 of the *Local Government Act 1995*:
  - d) Construction and lease of 2 x residential homes for GROH  
(at 8 & 10 Spring Street, Mingenew)
  - e) Construction and lease of 2 x key worker houses for Shire employees and/or other key workers  
(at 71 Phillip Street, Mingenew)
  - f) Construction and lease of 3 x aged persons units  
(at 15 King Street, Mingenew)
2. Endorses the advertising by public notification of the draft business plan for the Essential Workers and Aged Person Accommodation Project as required for major land transactions under s.3.59 of the *Local Government Act 1995*; and
3. Delegates authority to the CEO to conduct an appropriate Tender Exempt procurement process, in accordance with r.11 of the *Local Government (Functions and General) Regulations 1996* for the projects, with the preferred procurement methods being the WALGA Preferred Supplier or Department of Communities' Housing Construction and Refurbishment Builders Panel following the acceptance of any required business plan.

**VOTING REQUIREMENTS:**

**CARRIED BY SIMPLE MAJORITY 7/0**

(FOR: Cr GJ Cosgrove, Cr HR McTaggart, Cr JD Bagley, Cr JR Holmes Cr AT Pearse, Cr AR Smyth and Cr RA Starick. AGAINST: Nil)

*NOTE: the Officer's Recommendation included an administrative error in identifying the proposed addresses for the GROH and Key Worker houses which has been corrected for the Minutes (GROH houses are to be constructed on Spring Street lots and Key Worker housing at 71 Phillip Street). The correct lots are listed in the Business Case and below report.*

**Attachments**

5.1.1 Confidential Attachment – Building Cost Price Comparison (*provided under separate confidential cover*)

5.1.2 Draft Business Case

**Background**

The Shire has, for some time, been in discussions with GROH and the Department of Communities regarding the building of two (2) additional GROH houses and three (3) APU units. In addition, it also intends on constructing two (2) Key Worker Dwellings as part of its long-term housing strategy.

**GROH Housing**

Council has been approached by Government Regional Officer's Housing (GROH) to build two 3x2 residences to meet the Department of Education's demand for worker housing, in return for a lease arrangement.

At its February 2024 OCM the Council resolved as follows:

**OFFICER RECOMMENDATION AND COUNCIL DECISION – ITEM 17.1 – RESOLUTION# 14210224**

**MOVED: Cr JR Holmes**

**SECONDED: Cr AT Pearse**

**Council, with respect to the offer from the Government Regional Officer's Housing GROH for Council to build two houses for use by the Department of Education, supports the proposal in principle and:**

- 1. Authorises to the CEO to enter into negotiations with GROH to build two houses (1-4x2, 1-3x2), on the provision that the investment is sound and subject to a cost benefit analysis and final proposal being presented to Council prior to entering a contract; and**
- 2. Seeks loan funding for the construction of the two houses.**

**VOTING REQUIREMENTS:**

**CARRIED BY SIMPLE MAJORITY 5/0**

*(FOR: Cr GJ Cosgrove, Cr JD Bagley, Cr JR Holmes, Cr AT Pearse, and Cr RA Starick AGAINST: Nil)*

Since this time the Council has been in negotiations with GROH for these works and have got to a point where it now needs to receive final pricing for these works.

### APU Housing

The Shire has made application to the Department of Communities to build an additional 3 single bedroom Aged Person Units (APU). The basis of this grant is that 100% of the costs are funding under the Government's Social Housing Stream.

Council has been informed that a decision regarding its application will be made mid to late April 2025. Under this arrangement the Council is deemed to be a community housing provider (CHP).

### Key Worker Housing

Council, as part of its long term housing strategy, has the construction of two key worker houses to increase its current fully utilised housing stock.

It is proposed that these 2 bedroom houses be constructed on vacant land in Phillips Street opposite the School.

### Comment

Council has been working on the procurement options and pricing for these developments for over 12 months. Some of the processes requiring draft concept designs needing to be drawn and then reviewed by other government agencies. So the process is very iterative.

One issue which makes the process challenging is that suppliers will generally only provide so much good will through pricing and design changes as there is no guarantee that they will be the final builder.

As the GROH process requires many iterations Council has now exhausted this good will and any further iterations would be subject to entering a contract with a builder. The risk here is that the product purchaser (department of communities) may not be happy with the product and Council has to then seek alternative options. In addition, many housing providers only supply vanilla products which are not available to be significantly varied or altered as they then are classed as custom builds which once again restricts the procurement methodology and makes it difficult to determine the best engagement option as pricing is generally based on the vanilla product. Once amendments are requested the pricing may be significantly different from the original price risking the original decision validity as the scores may have been altered to an extent that the preferred supplier may no longer be the supplier with the best evaluation score or value for money.

A summary of the building prices received over the past 12 months as supplied in the confidential attachment clearly demonstrates the best market option for the Council which results in the requested consideration of the Council to perform a tender exempt procurement strategy based in this demonstrated best value market data.

These works may be considered a Major Land Transaction requiring the local government to prepare a business plan. It was, therefore, important to ensure that the Council first receive realistic market pricing prior to making this determination and progressing down this path.

#### Major Land Transaction Process

As outlined under s.3.59 of the *Local Government Act 1995* and r.8A and r.10 of the *Local Government (Functions and General) Regulations 1996*, for a major land transaction, Council is required to (*anticipated timeline*):

- Prepare and present draft business plan, as prescribed, for each project  
(19 March 2025 Council Meeting)
- Give Statewide public notice outlining its proposal to commence a major land transaction and provide an opportunity for submissions (no less than 6 weeks' notice period), providing a copy of the business plan  
(22 March – 4 May 2025 submission period)
- Consider any submissions received and decide to proceed with the major land transaction  
(21 May or 18 June 2025 Council Meeting)
- Commence tender exempt procurement process and contract negotiations/arrangements  
(July – August 2025)

#### Consultation

Department of Education  
Department of Communities  
WALGA

#### Statutory Environment

*Local Government Act 1995*

##### **3.59. Commercial enterprises by local governments**

- (2) Before it —
- (a) commences a major trading undertaking; or
  - (b) enters into a major land transaction; or
  - (c) enters into a land transaction that is preparatory to entry into a major land transaction, a local government is to prepare a business plan.
- (3) The business plan is to include an overall assessment of the major trading undertaking or major land transaction and is to include details of —
- (a) its expected effect on the provision of facilities and services by the local government; and
  - (b) its expected effect on other persons providing facilities and services in the district; and
  - (c) its expected financial effect on the local government; and
  - (d) its expected effect on matters referred to in the local government's current plan prepared under section 5.56; and
  - (e) the ability of the local government to manage the undertaking or the performance of the transaction; and
  - (f) any other matter prescribed for the purposes of this subsection.
- (4) The local government is to —
- (a) give Statewide public notice stating that —
    - (i) the local government proposes to commence the major trading undertaking or enter into the major land transaction described in the notice or into a land transaction that is preparatory to that major land transaction; and
    - (ii) a copy of the business plan may be inspected or obtained at any place specified in the notice; and
    - (iii) submissions about the proposed undertaking or transaction may be made to the local government before a day to be specified in the notice, being a day that is not less than 6 weeks after the notice is given; and
  - (b) make a copy of the business plan available for public inspection in accordance with the notice; and

- (c) *publish a copy of the business plan on the local government's official website.*
- (5) *After the last day for submissions, the local government is to consider any submissions made and may decide\* to proceed with the undertaking or transaction as proposed or so that it is not significantly different from what was proposed.*
- \* Absolute majority required.*
- (6) *If the local government wishes to commence an undertaking or transaction that is significantly different from what was proposed it can only do so after it has complied with this section in respect of its new proposal.*
- (7) *The local government can only commence the undertaking or enter into the transaction with the approval of the Minister if it is of a kind for which the regulations require the Minister's approval.*
- (8) *A local government can only continue carrying on a trading undertaking after it has become a major trading undertaking if it has complied with the requirements of this section that apply to commencing a major trading undertaking, and for the purpose of applying this section in that case a reference in it to commencing the undertaking includes a reference to continuing the undertaking.*
- (9) *A local government can only enter into an agreement, or do anything else, as a result of which a land transaction would become a major land transaction if it has complied with the requirements of this section that apply to entering into a major land transaction, and for the purpose of applying this section in that case a reference in it to entering into the transaction includes a reference to doing anything that would result in the transaction becoming a major land transaction.*

*Local Government (Functions and General) Regulations 1996*

**8A. Amount prescribed for major land transactions; exempt land transactions prescribed (Act s. 3.59)**

- (1) *The amount prescribed for the purposes of the definition of major land transaction in section 3.59(1) of the Act is —*
  - (b) *if the land transaction is entered into by any other local government, the amount that is the lesser of —*
    - (i) *\$2 000 000; or*
    - (ii) *10% of the operating expenditure incurred by the local government from its municipal fund in the last completed financial year.*

**10. Business plans for major trading undertaking and major land transaction, content of**

- (1) *If a local government is required to prepare a business plan because of a major trading undertaking or major land transaction that it is to carry on or enter into jointly with another person —*
  - (a) *the business plan is to include details of the whole undertaking or transaction, even though the local government is not the only joint venturer; and*
  - (b) *the business plan is to include details of —*
    - (i) *the identity of each joint venturer other than the local government; and*
    - (ii) *the ownership of, and any other interests in, property that is involved in, or acquired in the course of, the joint venture; and*
    - (iii) *any benefit to which a joint venturer other than the local government may become entitled under or as a result of the joint venture; and*
    - (iv) *anything to which the local government may become liable under or as a result of the joint venture.*

The trigger for the Shire of Mingenew, as per the above prescribed threshold (r.8A(1)(b)) is \$535,059 meaning that should the Council resolve to purchase / build a GROH house for a figure above this trigger then the transaction would be considered a Major Land Transaction requiring the local government to prepare a business plan. It would be, therefore, important to ensure that the construction costs do not exceed this limit.

**Policy Implications**

Council's Delegation Register provides the CEO authority to undertake tender exempt procurement where the total consideration under the resulting contract is expected to be less than \$250,000. Over this value, the authority lies with Council.



Council's Purchasing Policy provides for procurement under a Tender Exempt arrangement for purchases over the value of \$250,000 ex GST, and requires the decision to award to be based on the supplier's response to:

- A detailed specification; and
- Pre-determined selection criteria that assesses all best and sustainable value considerations.

### **Financial Implications**

Market testing has been undertaken through a range of suppliers to gauge pricing and product offerings in an attempt to establish the best approach and way forward refer confidential attachment.

There are several paths the Council may take to procure housing, these being:

Open public tenders – this method invites tenders from the market using a general specification. This method will provide a very wide range of options for the Council which would then need to be generally modified and repriced once a final satisfactory design is reached and initial design fees charged. This method has a high price variation risk due to the variability the market will offer.

Panel Contract – this method has been established to help authorities purchase products from a pre-selected panel of suppliers. This still has risk as the products offered are quite often not comparable, however they are generally of the same type. There are two panels available to the Council for housing construction.

- WALGA – Modular Buildings Panel
- Department of Communities – 2024 Refresh - Housing Construction and Refurbishment Builders Panel

Under the Local Government Regulations – both of these panels are exempt from the general requirement to call public tenders for purchases over \$250,000 ex GST.

Under the delegations issued to the CEO there are no provisions to perform a tender exempt process for any purchase above \$250,000 unless authorised by the Council. In other words a Council resolution is required to conduct a tender exempt procurement process and utilise the panel contracts.

Further it is requested that as a result of the market research already conducted that the panel contract be utilised and a single invited offer be obtained as best value for money has already been established over the past twelve months process of price discussions and options received.

The suggested method also considers most appropriate build materials, whole of life cost, asset life, best thermal efficiency and local content.

### **Strategic Implications**

Strategic Community Plan 2023-2033

- 2.3 Advocate for and promote opportunities to external stakeholders, including the resource sector, to provide local diverse accommodation options
  - a. Partner with government agencies and stakeholders to support housing shortage and explore solutions to housing shortages
  - b. Develop a housing strategy for increasing key worker housing stock
  - c. Identify external funding sources and apply to support the expansion of quality housing stock
  - d. Advocate to Government agencies for local housing to be included in operational approvals for resource sector projects.
- 8.3 Provide and maintain affordable housing for aged and disabled residents to meet demand
  - b. Increase residential housing for aged and disabled residents

## 6.0 CORPORATE SERVICES

### 6.1 RFT02 24-25: INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) CONTRACTOR (MANAGED SERVICES PROVIDER)

Location/Address: Shire of Mingenew  
Name of Applicant: Shire of Mingenew  
Disclosure of Interest: Nil  
File Reference: IT.TEN.24.25  
Date: 2 April 2025  
Author: Jack Smith, Senior Finance Officer  
Authorising Officer: Helen Sternick, Manager Corporate Services  
Voting Requirements: Absolute Majority

#### Summary

At the Special Council Meeting in January, Council passed Resolution #02290125 giving the Chief Executive Officer delegated authority to release a Request for Tender package to the WALGA Preferred Supplier Panel under the Tender Exempt procurement stream, and to award the Shire's next Managed Services Agreement (MSA) to the successful tenderer *provided that* the Total Contract Value did not exceed \$320,000 ex.GST in the aggregate over the full, five (5) year term. The Corporate Services Team has since released the RFT and assessed all submissions received. As the majority of submissions exceed the price threshold, the award decision must now revert to Council.

#### Key Points

- Our current ICT contract ends in March with no further option to extend or renew; the current provider has agreed to continue supplying services on a month-to-month basis until the new contract is awarded to ensure operational continuity, however, formal arrangements should be made ASAP to minimise commercial risk.
- Despite adjusting for inflationary pressures, the pricing schedules received from tenderers were significantly higher than anticipated, reflecting changes in the ICT landscape. From both a technical and a compliance perspective, the Shire's ICT needs have become more complex since the last MSA was negotiated and awarded back in 2020, resulting in higher costs to maintain, let alone improve, the current Scope of services being provided.

#### OFFICER RECOMMENDATION AND COUNCIL DECISION – ITEM 6.1 - RESOLUTION#02190325

MOVED: Cr Cr JR Holmes

SECONDED: Cr AR Smyth

#### Council:

1. In accordance with the *Local Government (Functions and General) Regulations 1996* Regulation 18, accepts the tender submission for RFT02 24-25 Information and Communication Technology (ICT) Contractor (Managed Services Provider), received from Integrated ICT, for a schedule of rates tender value of \$389,531.03, named as 'Respondent 23' in the Tender Evaluation Report detailed in Confidential Attachment 6.1.1, and identified as the most advantageous, under the corresponding Schedule of Rates detailed therein, applicable for an initial contract term of three (3) years commencing on execution of the contract, inclusive of discretionary options to extend the contract term for a further two (2) years, and subject to annual indexation where applicable.
2. Delegates to the CEO in accordance with s.5.42(1) of the *Local Government Act 1995*, by absolute majority, authority to negotiate minor variations to the contract for RFT02 24-25 before and / or after its execution in accordance Regulations 20 and 21A of the Local Government (Functions and General) Regulations 1996.
3. Authorises the CEO to execute the contract for awarding RFT02 24-25 in accordance with s.9.49A

of the *Local Government Act 1995*.

4. Amends the 2024/25 budget in accordance with s6.8(1)(b) of the *Local Government Act 1995*, by absolute majority, to reflect the \$10,000 difference in ICT-related expenditure arising from the award of RFT02 24-25.

**VOTING REQUIREMENTS:**

**CARRIED BY SIMPLE MAJORITY 7/0**

(FOR: Cr GJ Cosgrove, Cr HR McTaggart, Cr JD Bagley, Cr JR Holmes Cr AT Pearce, Cr AR Smyth and Cr RA Starick. AGAINST: Nil)

**Attachments**

6.1.1 *Tender Evaluation Report (provided to Councillors under separate, confidential cover)*

**Background**

After receiving approval from Council, the RFT was released to the WALGA PSP on Friday, 31 January 2025 and officially closed at midday on Thursday, 20 February 2025. No changes or updates were made to the Request document during this time.

After filtering the Panel for geographic proximity and relevance, the number of tenderers invited to respond was reduced from 217 to 45. The Shire received queries from eleven (11) suppliers, conducted five (5) site visits, and received eight (8) Responses prior to the deadline. Of those, only one (1) failed to meet the Compliance Criteria (Risk Assessment), leaving seven (7) to be assessed against the Qualitative Criteria and further rank-adjusted according to price.

The pool of Respondents included:

Based in Perth	Based in Geraldton
Focus Networks	Infinitum Technologies
JH Computer Services	Integrated ICT
Open Systems Support	Logic IT
Qbit Computers	
XL2	

On the whole, we believe this is a sufficient and representative sample such that a re-release via Public Tender is not warranted and is unlikely to yield materially different results.

Although the Request was conducted under the Tender Exempt procurement stream, several administrative controls were put in place to safeguard the integrity of the process:

- a) Access to the tender submissions was technologically restricted until after the deadline;
- b) Tenders were opened shortly thereafter in the presence of two (2) Shire staff;
- c) The evaluation process was conducted using a transparent, pre-defined scoring system incorporating both qualitative and quantitative elements.

The expected Decision Date was initially set to Thursday, 6 March 2025, and was later extended by one (1) week to allow further deliberation and fact-checking. Once it became clear that the total contract value was likely to exceed the approved threshold, a further extension to Thursday, 20 March 2025 was communicated to all Respondents.

It is worth emphasising that, since the commencement of the last MSA, the ICT landscape has changed substantially, demanding a much broader scope from Respondents, along with more sophisticated mechanisms to provide greater quality assurance and to enforce accountability. Our Request was broad and envisaged day-to-day technical and operational support as well as ongoing consultancy/advisory services in relation to ICT asset management, cyber security, network optimisation and training for staff and Councillors. The RFT also prefaced future projects, such as AARNet's fibre optic installation, and the eventual migration away from SynergySoft to a more complete, cloud-based ERP solution. As expected, the list of inclusions, exclusions and initiatives deemed to be "out of scope" varied considerably between the Respondents.

Due to the complexities involved, the pricing schedules received were not presented on a like-for-like basis either, and took a significant amount of time to work through and parse out for the purposes of direct and fair comparison. ICT is unique from other industries because it is largely unregulated and does not conform to the goods or services binary; infrastructure is often delivered as a service - as distinct from ordinary concepts of leasing or financing - and the extensive use of 3<sup>rd</sup> party software is essential for service delivery. ICT is also extremely pervasive, as it enables and affects every aspect of the Shire's administrative functions, posing significant commercial risks.

### Comment

Upcoming projects and changes to the Shire's ICT environment (i.e. fibre optic availability and change in ERP system mentioned above) will eventually translate into cost savings in some areas of the MSA, as it will allow us to take advantage of cloud-based applications, reducing the need for hosted server infrastructure. However, due to the open-ended timing of these changes, the current network configuration will need to be maintained in the short-term to mid-term, and Respondents have priced their tender submissions accordingly.

Our findings and recommendations have been presented in the attached Tender Evaluation Report.

### Consultation

Extensive consultation was undertaken prior to the release of the RFT. Relevant staff have consulted internally in relation to the Tender Evaluation Report.

### Statutory Environment

To the best of our knowledge, the process followed to date has been consistent with the Local Government Act 1995 and the Local Government (Functions and General) Regulations 1996. The relevant provisions fall under Part 4, Division 2, Section 11 and were discussed at length in the January 2025 Special Meeting of Council. The minutes can be found on the Shire's [website](#).

#### *Local Government Act 1995*

#### **6.8. Expenditure from municipal fund not included in annual budget**

- (1) *A local government is not to incur expenditure from its municipal fund for an additional purpose except where the expenditure —*
  - (a) *is incurred in a financial year before the adoption of the annual budget by the local government; or*
  - (b) *is authorised in advance by resolution\*; or*
  - (c) *is authorised in advance by the mayor or president in an emergency.*

*\* Absolute majority required*

### Policy Implications

1.3.1 Purchasing Policy applies to this activity, the implications of which were discussed at length in the January 2025 Special Meeting of Council. Please refer to the [minutes](#) for further detail.

1.3.7 Regional Price Preference Policy also applies to this activity, with the relevant provisions outlined below:

*In order to promote sub-regional development, the Shire of Mingenew will provide a price preference to regional suppliers (located within the stipulated areas) when evaluating and awarding contracts with Council via the Tendering Process. Price preference will be given to all suppliers submitting conforming tenders for the supply of goods and services (including Construction (building) Services) to the Shire of Mingenew, unless Council resolves that this policy does not apply to a particular tender.*

*The following price preference will be given to suppliers submitting tenders assessed in relation to this policy:*

*Goods and Services – up to a maximum price reduction of \$50,000 unless a lower amount is stipulated in the tender document.*

## MINGENew SHIRE COUNCIL SPECIAL MEETING MINUTES – 19 MARCH 2025

### *Stipulated Area-*

- 1. 10% to all suppliers located within the Shire of Mingenew*
- 2. 5% to all suppliers located within the Shires of Coorow, Carnamah, Perenjori, Three Springs, Morawa and Irwin*
- 3. 2.5% to all suppliers located within the Midwest Region that are not listed in 2. Above.*

*The Midwest Region incorporates the following 17 local governments: Carnamah, Chapman Valley, Coorow, Cue, Greater Geraldton, Irwin, Meekatharra, Mingenew, Morawa, Mount Magnet, Murchison, Northampton, Perenjori, Sandstone, Three Springs, Wiluna and Yalgoo.*

*Located within the stipulated areas is defined as having a physical presence in the way of a shop, depot, outlet, headquarters or other premises where the goods or services specifically being provided are supplied from. This does not exclude suppliers whose registered business is located outside the stipulated area but undertake the business from premises within the stipulated area. An example is a franchisee of a multinational company.*

*Only those goods and services identified in the tender as being from a source located within the stipulated area will have the price preference applied when assessing the tender.*

*Price is only one factor that Council considers when evaluating a tender. There is nothing contained within this policy that compels Council to accept the lowest tender or any tender based on price offered.*

In an ICT context, this distinction proved more nuanced. Although some suppliers have offices situated in Geraldton (i.e. Stipulated Area 3, Midwest Region) many of their hosted infrastructure solutions are provided via 3<sup>rd</sup> party Data Centres, located in Perth. Major aspects of the service therefore originate from a source outside the stipulated area.

Nevertheless, for our purposes, those Respondents listed above as being “Based in Geraldton” were given Regional Price Preference in the Evaluation, as they employ local staff in Geraldton to provide helpdesk support, systems monitoring, reporting, consultancy, and managerial oversight. In this way, economic benefits from the MSA flow to the Midwest, promoting sub-regional development, as intended by the Policy.

### **Financial Implications**

The current year budget has accounted for the same services and licences to be provided, under the same schedule of rates, up to 30 June. The Shire is maintaining and has projected an operating surplus at year-end, allowing us to absorb the increase in costs. The adjustment to the current year ICT expense allocation will need to be formalised as a Budget Amendment and adopted by Council, per the Recommendation.

ICT expenditure has been incorporated into the Long-Term Financial Plan (LTFP) 2025-2036, and over the next five (5) years, has an allocation of \$308,614 (averaging \$61,723 p.a.). Budgeting preparations for the 2026 financial year are already underway, and will include the revised charges once known. The LTFP will be updated in due course to reflect the awarded contract.

That said, the full budgetary impact won't be known until the tender has been awarded and the successful Respondent has performed their incoming ICT audit. This is because, by necessity, some components of the engagement have been quoted on a Schedule of Rates basis with quantities that are yet to be confirmed.

To help set expectation, the highest apparent tender score \$462,000 (averaging \$7,700 per month or \$92,400p.a.) while the most competitive tenders were in the mid- to high- \$300K range. Fully itemised, comparative pricing has been included in the attached Tender Evaluation Report.

### **Strategic Implications**

Strategic Community Plan 2023-2033:

14 Operating with a high standard of good governance and transparency

15 Financial practices are responsive to compliance requirements and revenue needs

MINGENew SHIRE COUNCIL SPECIAL MEETING MINUTES – 19 MARCH 2025

**7.0 MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN**

Nil.

**8.0 NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF MEETING**

Nil.

**9.0 CONFIDENTIAL ITEMS**

Nil.

**10.0 TIME AND DATE OF NEXT MEETING**

Next Ordinary Council Meeting to be held on Wednesday, 30 April 2025 commencing at 5.00pm.

**11.0 CLOSURE**

The meeting was closed at 1:17pm.

These minutes were confirmed at an Ordinary Council meeting on 30 April 2025

Signed \_\_\_\_\_  
Presiding Officer

Date: \_\_\_\_\_