



**GLADSTONE**  
REGIONAL COUNCIL

# **GENERAL MEETING NOTICE AND AGENDA**

**TO BE HELD AT THE GLADSTONE ENTERTAINMENT CONVENTION  
CENTRE, 56 GOONDOON STREET, GLADSTONE**

**On Tuesday 2 March 2021**

**Commencing at 9.00am**

**Notice Section 277E *Local Government Regulation 2012*: This meeting will be closed to the public, due to health and safety reasons associated with the public health emergency involving COVID-19. Live streaming will be available on Council's website.**

**Leisa Dowling  
CHIEF EXECUTIVE OFFICER**

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## **G/1. MAYORAL STATEMENT OF CURRENT ISSUES**

## **G/2. CONFIRMATION OF MINUTES**

### **G/2.1. CONFIRMATION OF GENERAL MEETING MINUTES FOR 16 FEBRUARY 2021**

**Responsible Officer:** Chief Executive Officer

**Council Meeting Date:** 2 March 2021

**File Ref:** CM7.2

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**Purpose:**

Confirmation of the minutes of the General Meeting held on 16 February 2021.

**Officer's Recommendation:**

That the minutes of the General Meeting of Council held on 16 February 2021 be confirmed.

**Attachments:**

1. Minutes of the General Meeting of Council held on 16 February 2021.

**Tabled Items:**

Nil.

**Report Prepared by:** Executive Secretary

## G/3. OFFICERS' REPORTS

### G/3.1. ASSET DISPOSAL POLICY

**Responsible Officer:** General Manager Finance Governance and Risk

**Council Meeting Date:** 02 March 2021

**File Ref:** CM28.2

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#### **Purpose:**

To propose the repeal of the current Asset Disposal Policy.

#### **Officer's Recommendation:**

That Council repeal P-2016-15 Asset Disposal Policy, noting it will be replaced by the Asset Disposal Corporate Standard.

#### **Background:**

The scheduled review of the Asset Disposal Policy has been undertaken.

Chapter 6, Part 3 of the *Local Government Regulation 2012* (the Regulation) sets out the contracting procedures Council must comply with. These contracting procedures include the disposal of a valuable non-current asset.

#### **Options, Risk and Opportunity Analysis:**

The current Asset Disposal Policy largely duplicates the requirements of the Regulation, with the balance of the document content largely operational in nature. There is also a duplication, in parts, of the current Asset Disposal Manual.

When considering the principles an asset disposal policy should contain, these were largely reflective of the principles currently contained within the Procurement Policy. Procurement and asset disposal are closely related given the disposal of an asset is essentially a contract.

Accordingly, it is the officer's recommendation that the document structure in relation to asset disposal be amended from a policy and manual to a corporate standard to:

- increase organisational awareness ensuring consistent decision making by consolidating documentation and removing duplication of information;
- provide a document with content focused on the administrative application of Council's obligations under the Regulation; and
- provide a regular review mechanism enabling continuous improvement and compliance (there is currently no review schedule for the manual).

This recommendation is in line with the journey the business is currently on to reduce and streamline our documents to improve accessibility and understanding by our people and the community.

The Executive Team have endorsed the approval of the Asset Disposal Corporate Standard subject to the repeal of the Asset Disposal Policy.

### *Alternative Option*

Alternatively, Councillors may seek to retain a policy. If this is preferred, an alternative recommendation could be:

*That Council further review the existing Asset Disposal Policy to align it to Council's strategic position and setting the governing principles.*

### **Communication and Consultation:**

Subject matter experts from the Asset Governance and Financial Operations teams have contributed to the development of the corporate standard. Furthermore, minor feedback was received during the consultation process from subject matter experts and leaders.

General asset disposal advice was also sought from the Chair of the Audit Risk and Improvement Committee (ARIC). Wording in relation to the adoption of capital works and the identification of assets subsequently proposed for disposal has been included in the corporate standard.

### **Legal Strategy and Policy Implications:**

There is no legislative obligation for Council to have a policy in relation to the disposal of assets.

Council has delegated a number of its disposal powers under the *Local Government Regulation 2012*. These delegated powers are to be exercised in accordance with the provisions of the Procurement Policy, Procurement Corporate Standard, and the Financial Delegation Register.

### **Financial and Resource Implications:**

It is anticipated that little or no additional resource or financial implications will be incurred as a result of the repeal of this policy given the asset disposal process will remain unchanged.

### **Summary:**

Nil.

### **Anticipated Resolution Completion Date:**

Within two weeks of resolution.

### **Attachments:**

1. Proposed CS-2021-01 Asset Disposal Corporate Standard.
2. Current P-2016-15 Asset Disposal Policy.

### **Tabled Items:**

Nil.

**Report Prepared by:** Governance Officer

## **G/3.2. PSA 240-20 STREET SWEEPING SERVICES (SOUTHERN REGION)**

**Responsible Officer:** General Manager Operations

**Council Meeting Date:** 2 March 2021

**File Ref:** PE1.1

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### **Purpose:**

This report seeks resolution from Council to enter into a preferred supplier arrangement with Specialised Pavement Services Pty Ltd for the provision of street sweeping services in the southern region of the Gladstone local government area.

### **Officer's Recommendation:**

That Council:

1. Endorse the tender evaluation panel's recommendation and accept the offer from Specialised Pavement Services Pty Ltd for PSA 240-20 Street Sweeping Southern Region; and
2. Authorise the Chief Executive Officer to enter into a 1-year contract with four 1-year extension options, with Specialised Pavement Services Pty Ltd.

### **Background:**

Council requires a suitably qualified and experienced service provider to sweep road surface and walkways including kerbs, tactile ground surface indicators, refuge island and median strips and kerb ramps in the Southern Region of Gladstone to remove all loose debris. These works are predominantly carried out under a schedule with services completed on a 4-week cycle with adjustments for services prior to holiday periods (e.g. Easter and Christmas). Unscheduled requirements are also called upon for clean up after accidents or other hazards which are unable to be resolved by Council.

These services were previously completed under PSA 131-18 Street Sweeping Service which expired in 2020.

### **Options, Risk and Opportunity Analysis:**

In accordance with section 233 of the *Local Government Regulation 2012*, a PSA will present the best longer-term value for Council over the proposed term, by reducing the preparation and evaluation of invitations every time the services are needed and by accumulating the demand for the service.

On 21 November 2020, Council released an Invitation to Tender ('ITT') to the open market via LG Tenderbox, in accordance with the tender process requirements set out in section 228 of the *Local Government Regulation 2012*.

The tender closed on 15 December 2020, with two (2) conforming submissions received. The offers were evaluated by a panel of subject matter experts, based on the criteria disclosed in the ITT which included:

Objective Evaluation Criteria	Weighting
Proposed Program/Schedule meets GRC timing requirements	20%
Proposed Program/Schedule addresses GRC's defined requirements	10%
Offer demonstrates understanding of the scope and GRC's requirements	20%
Proposed resourcing addresses all aspects of the scope and GRC's requirements	5%
Nominated past projects performed meet GRC's experience requirements	5%
Proposed Key Personnel have the qualifications and experience required by GRC	10%
Price	20%
Local Content	10%

The offers were scored against the evaluation criteria as follows:

	Score (before Local Content)	Score (after Local Content)
Specialised Pavement Services Pty	72	73
Environmental Wastewater	55	55

The submission from Specialised Pavement Services Pty Ltd ("SPS") scored the highest overall, with a detailed conforming tender. The offer presented quality experience and personnel, in addition to an excellent level of detail and planning throughout the program and methodology. The operator proposed by SPS resides in the Gladstone local government area.

The tender evaluation panel recommends the submission for SPS as it presents the best overall offer to Council.

### **Communication and Consultation:**

Consultation has occurred with the Roads Program Delivery team and relevant union/s.

### **Legal Strategy and Policy Implications:**

Council sought offers via LG Tenderbox in accordance with the Local Government Regulation 2012, Local Government Act 2009 and Council's Procurement Policy P-2018-12.

Council's endorsement of this tender award is in accordance with the Register of Delegations - Exercise of Statutory Powers and Financial Delegation Register.

The Officer's recommendation is based on the evaluation methodology and criteria in the ITT. There are risks associated with Council awarding a contract contrary to the officer's recommendation.



If Council is not satisfied with the evaluation methodology and criteria or the application thereof, Council may refer the matter back to officers for re-evaluation.

In the interests of probity, an amendment to the evaluation methodology and/or criteria may require referral back to tenderers so that they can each have the opportunity to make any changes to their offers having regard to the amended criteria prior to re-evaluation.

**Financial and Resource Implications:**

Council's annual expenditure for street sweeping services (Southern) has been approximately \$68k and is a cost which is contained within approved budgets. It is however accepted by tenderers making offers for a PSA, that selection for the PSA gives no guarantee or representation as to the volume or value of orders to be issued by Council.

**Summary:**

Specialised Pavement Services Pty Ltd submission was evaluated as presenting the best value to Council.

**Anticipated Resolution Completion Date:**

The contract will be awarded in March 2021.

**Attachments:**

1. CONFIDENTIAL PSA 240-20 Offer Evaluation Report.

**Tabled Items:**

Nil.

**Report Prepared by:** Manager Contracts and Procurement.

## G/3.3. LABORATORY SERVICES AND CONSUMABLES SOLE SUPPLIERS

**Responsible Officer: General Manager Operations**

**Council Meeting Date: 2 March 2021**

**File Ref: PE1.1**

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### **Purpose:**

This report seeks a resolution from Council to make use of the provisions in s235 of the Local Government Regulation 2012, that allows for the exceptions to the requirement for written quotations or tenders. The use of this provision is sought in relation to the provision of laboratory services and consumables.

### **Officer's Recommendation:**

That Council:

1. Resolves, in accordance with section 235(a) of the *Local Government Regulation 2012*, that it is satisfied that:
  - IDEXX Laboratories Pty Ltd are the only supplier reasonably available to Council to supply consumables for the IDEXX Colilert system; and
  - Australian Laboratory Services are the only supplier reasonably available to Council to complete chemical laboratory services; and
  - Ecoscope Environmental Pty Ltd are the only supplier reasonably available to Council to provide microbiological laboratory services.
2. Authorises the Chief Executive Officer to engage IDEXX Laboratories Pty Ltd, ALS Limited and Ecoscope Environmental Pty Ltd as sole suppliers until 30 June 2021.

### **Background:**

#### IDEXX Laboratories Pty Ltd

The IDEXX Colilert system is used in Councils wastewater treatment plant laboratories for microbiological analysis. IDEXX Laboratories Pty Ltd ("IDEXX") are the Original Equipment Manufacturer (OEM) of the entire range of IDEXX Colilert system consumables in Australia (and the Global Market).

Engagements to date with IDEXX have been via individual sole supplier requests with the cumulative value below the threshold requiring Council resolution.

#### ALS Limited

Drinking water quality monitoring is the final stage of verification that Councils water is safe to consume. Specifically, chemical parameters with health limits defined in the Australian Drinking Water Guidelines (2011) - Updated May 2019 are monitored regularly to minimise the risk to the community and provide confidence to regulators. Council held a Preferred Supplier Arrangement (PSA 34-19 Laboratory Services) with Australian Laboratory Services ("ALS") however this agreement expired on 20 November 2020. When tendered in July 2018, ALS ranked the highest for chemical laboratory services.

ALS is the only company that can facilitate this analysis, that has a depot in Gladstone where samples can be dropped off, packed and dispatched free of charge, to the ALS laboratories in Brisbane/Sydney or Melbourne. All other laboratories that can perform the same analysis are based in locations such as

Brisbane/Townsville which requires the samples to be sent via courier at Councils expense. In addition to the freight there would also be a considerable labour cost to Council to prepare the samples for dispatch (all of which is currently performed by ALS at no cost).

The ALS Gladstone Depot also provides advice on analysis suites, sample bottle requirements and prepare bottle orders as needed with no notice required (this service is also free of charge). This is essential when unforeseen analysis is required (i.e. incidents) especially if the parameters required to be analysed are unfamiliar. Other laboratories cannot provide this service without considerable cost to Council in freight, response time (bottles for unusual analysis would have to be overnighted up to Gladstone) and labour.

For the analytical services, ALS is cost competitive. For this reason, we are proposing to sole source physical/chemical analyses from ALS.

#### Ecoscope Environmental Pty Ltd

Drinking water quality monitoring is the final stage of verification that Councils water is safe to consume. Specifically, *E.coli* testing (and the absence of any detections) confirms that faecal contamination of the water supply is unlikely to have occurred. For this reason, the timeframe between collection of samples and receipt of results is critical to minimise the risk to the community and provide confidence to regulators.

Council held Preferred Supplier Arrangement (PSA 34-19 Laboratory Services) with Ecoscope Environmental Pty Ltd ("Ecoscope") however this agreement expired on 20 November 2020. When tendered in July 2018, Ecoscope ranked the highest for bacteriological laboratory services.

Ecoscope Environmental (a specialist Microbiological Laboratory based in Rockhampton) is the only NATA accredited Laboratory within proximity to Gladstone. All other Laboratories that can perform this analysis are based in Brisbane/Townsville which requires the samples to be sent via overnight courier (air freight). As the holding time (the maximum allowable time that may pass in which the sample can be expected to give accurate results for the parameter in question) for *E.coli* is 24 hours any delays result in breaches of this holding time and results that are not a true representation of the water quality.

As Ecoscope is based in Rockhampton the timeframe between sample collection and receipt at the laboratory is on average 3-4 hours. Council's existing arrangement with Ecoscope Environmental allows for receipt of *E.coli* results within 48 hours of sample collection. They also provide the service (at no extra charge to Council) of notifying (via phone and email) if a sample has returned a positive result, thus allowing actions to be taken to mitigate the risk immediately and the regulator to be informed to determine if a boil water alert is required.

All the other NATA Accredited laboratories that can perform this analysis cannot guarantee this same level of service as apart from the potential holding time exceedances the Certificate of Analysis (sample results) take on average 5-7 working days to be issued from receipt of the sample (this time is extended during peak periods). For these reasons, we are proposing to sole source microbiological analysis from Ecoscope Environmental.

#### **Options, Risk and Opportunity Analysis:**

In the case of IDEXX, as the OEM for IDEXX Colilert system consumables, the alternative to Council resolving sole supplier status, would be to approach the market and obtain the consumables via a distributor. Sourcing direct from the OEM presents the best value to Council without distributor markups applied to the price.

As evidenced by the laboratory services tender conducted in 2018, there are alternate laboratory service providers in the market. However, due to the proximity of laboratories and methods that support accurate results for quality testing of Council's drinking water supply, this was evidenced through the evaluation of

submissions tendered in 2018. ALS and Ecoscope are currently the only service providers able to offer a service that meets the needs of Council.

The short timeframe requested for this approval (until 30 June 2021) is to align with the annual sole and specialised supplier list presented to Council in June of each year, where these suppliers will be represented for sole supplier approval for the 2021/22 financial year. This approach will enable Council to complete market assessments annually to ensure the reasons provided herein are unchanged. At any stage that Council becomes aware of a comparative service, an open market test will take place and any sole supplier approvals will be deactivated for use.

### **Communication and Consultation:**

Consultation has occurred with the Asset Performance and Monitoring team, specifically within the water quality area.

### **Legal Strategy and Policy Implications:**

It is a requirement of the *Local Government Regulation 2012* section 225 to invite written quotation or tenders where the supply of goods or services costs greater than \$15,000 ex GST per annum. Section 235 of the regulation provides several exceptions to the requirement and relevant to this request is clause a) which states:

*The local government resolves it is satisfied that there is only 1 supplier who is reasonably available.*

### **Financial and Resource Implications:**

The estimated expenditure for the period to 30 June 2021 is:

- IDEXX \$5,000 ex GST;
- ALS \$27,000 ex GST; and
- Ecoscope \$24,000 ex GST.

### **Summary:**

Nil.

### **Anticipated Resolution Completion Date:**

Not applicable – purchase orders will be issued on an as needed basis.

### **Attachments:**

Nil.

### **Tabled Items:**

Nil.

**Report Prepared by:** Manager Contracts and Procurement

## G/4. DEPUTATIONS

### G/4.1. STRONGER PLACES, STRONGER PEOPLE

**Responsible Officer:** Chief Executive Officer

**Council Meeting Date:** 2 March 2021

**File Ref:** CM7.6

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**Purpose:**

To present to Council a briefing relating to Stronger People, Stronger Places initiative in the Gladstone Region.

**Officers Recommendation:**

That the deputation from Stronger People, Stronger Places be received.

**Background:**

Deputation details are as follows:

<b>Time of Presentation</b>	11:00am
<b>Duration of Presentation plus question time</b>	15 minutes
<b>Speakers to present</b>	Lorna McGinnis, Start-Up Backbone Lead Debbie King, Start-Up Backbone Support
<b>Is the matter currently or has previously been subject to legal proceedings?</b>	No
<b>Matter for information only</b>	Yes

**Attachments:**

1. Stronger Places, Stronger People Presentation

**Tabled Items:**

Nil.

**Reported Prepared by:** Executive Secretary

**G/5. COUNCILLORS REPORT**

Nil.

**G/6. URGENT BUSINESS**

Nil.

**G/7. NOTICE OF MOTION**

Nil.

**G/8. CONFIDENTIAL ITEMS**

Nil.

**ATTACHMENTS**