

CITY OF PALMERSTON

**Minutes of Council Meeting
held in Council Chambers
Civic Plaza, Palmerston
on Tuesday 6 June 2017 at 6.30pm.**

Mayor Ian Abbott
Chair

Any member of Council who may have a conflict of interest, or a possible conflict of interest in regard to any item of business to be discussed at a Council meeting or a Committee meeting should declare that conflict of interest to enable Council to manage the conflict and resolve it in accordance with its obligations under the Local Government Act and its policies regarding the same.

Audio Disclaimer

An audio recording of this meeting is being made for minute taking purposes as authorised by City of Palmerston Policy MEE3 Recording of Meetings, available on Council's Website.

Acknowledgement of Traditional Ownership

I respectfully acknowledge the past and present Traditional Custodians of this land on which we are meeting, the Larrakia people. It is a privilege to be standing on Larrakia country.

1 PRESENT

Elected Members:	His Worship the Mayor Ian Abbott (Chair) Alderman Athina Pascoe-Bell Alderman Andrew Byrne Alderman Paul Bunker Alderman Seranna Shutt
Staff:	Ben Dornier, Acting Chief Executive Officer Jan Peters, Director of Community Services Mark Spangler, Director of Technical Services Alyce Breed, Minute Secretary
Gallery:	5 members of the public

2 APOLOGIES

Deputy Mayor Sue McKinnon – Leave of Absence

ACCEPTANCE OF APOLOGIES AND LEAVE OF ABSENCE

Moved: Alderman Shutt
Seconded: Alderman Pascoe-Bell

THAT the apology received from Deputy Mayor McKinnon be received and granted.

CARRIED 8/2683 – 06/06/2017

3 CONFIRMATION OF MINUTES

Moved: Alderman Pascoe-Bell
Seconded: Alderman Shutt

1. THAT the minutes of the Council Meeting held Tuesday, 16 May 2017 pages 9147 to 9202, be confirmed subject to the following alteration:

THAT a Minute Book Page '9156A' be inserted moving decisions from the Confidential Session into the Open Session as per Council Decision 8/2678:

18.2 Condition Audit on Street Lighting Assets

- THAT Council determine whether it wishes to carry out a condition audit on street lighting assets being transferred to Council on 1 January 2018.
 - THAT Council carry out a condition audit on street lighting assets being transferred to Council on 1 January 2018.
 - THAT the resolutions only come back into the open session.
2. THAT the Confidential minutes of the Council Meeting held Tuesday, 16 May 2017 pages 313 to 316, be confirmed.

CARRIED 8/2684 – 06/06/2017

4 MAYOR'S REPORT

M8-40

Moved: Alderman Shutt
Seconded: Alderman Pascoe-Bell

THAT Council receives Report Number M8-40.

CARRIED 8/2685 – 06/06/2017

5 REPORT OF DELEGATES

Nil.

6 QUESTIONS (WITHOUT DEBATE) FOR WHICH NOTICE HAS BEEN GIVEN

Nil.

7 QUESTIONS (WITHOUT DEBATE) FOR WHICH NOTICE HAS NOT BEEN GIVEN

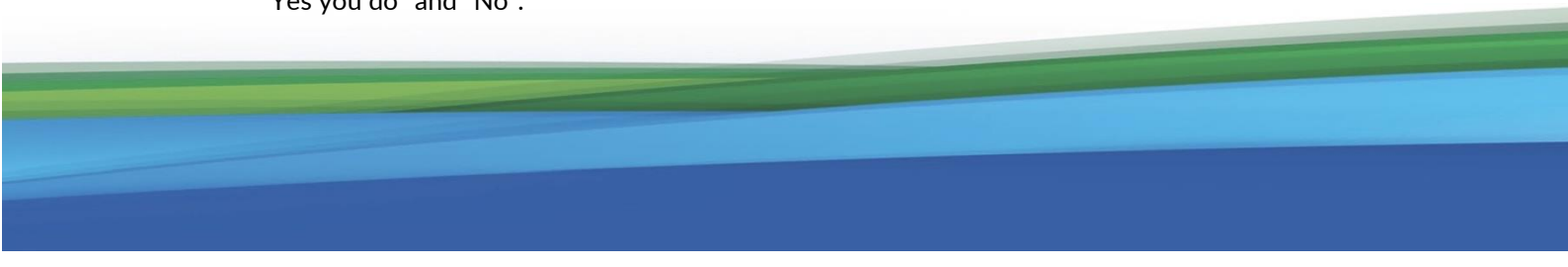
7.1 Alderman Pascoe-Bell

Alderman Pascoe-Bell asked the Mayor:

In regards to sending the Application for Approval to Borrow to the Minister and the Department "Are you aware that as an Elected Member I have rights and obligations under the Local Government Act which allow me to question the CEO about any issue that I think is relevant?" and "Do you realise that they undermine my authority as an Elected Member?"

The Mayor provided the following response:

"Yes you do" and "No".



8 PETITIONS

Nil.

9 DEPUTATIONS/PRESENTATIONS

Nil.

10 CONSIDERATION OF MOTIONS FOR WHICH NOTICE HAS BEEN GIVEN

Nil.

11 COMMITTEE RECOMMENDATIONS

11.1 Governance and Organisation

Nil.

11.2 Economic Development and Infrastructure

Nil.

11.3 Community Culture and Environment

Nil.

12 INFORMATION AGENDA

12.1 Items for Exclusion

12.3.3 Seniors Consultation – Use of Senior Centre

8/1189

12.2 Receipt of Information Reports

Moved: Alderman Pascoe-Bell

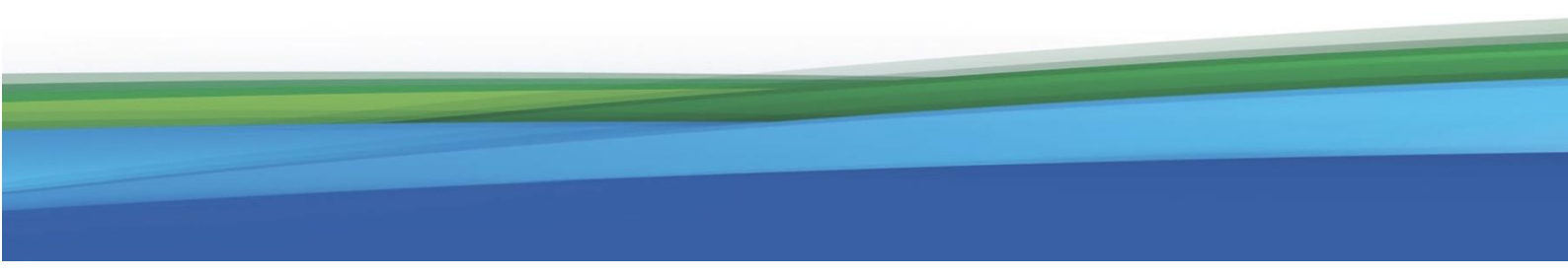
Seconded: Alderman Byrne

THAT the information items contained within the Information Agenda, be received.

CARRIED 8/2686 – 06/06/2017

The Chair invited the Acting Chief Executive Officer, Director of Technical Services and Director of Community Services to provide a verbal update on the outstanding matters contained within the Action Report.

Officers provided a verbal report to the meeting.



12.3.3 Seniors Consultation – Use of Senior Centre

8/1189

Moved: Alderman Byrne

Seconded: Alderman Shutt

THAT Council receives Report Number 8/1189.

CARRIED 8/2687 – 06/06/2017

13 DEBATE AGENDA

13.1 Officer Reports

13.1.1 Elected Member Allowances for 2017/18

8/1179

Moved: Alderman Pascoe-Bell

Seconded: Alderman Shutt

1. THAT Council receives Report Number 8/1179.

CARRIED 8/2688 – 06/06/2017

Moved: Alderman Pascoe-Bell

Seconded: Alderman Shutt

2. THAT the Elected Member allowances for the year 2017/18 be set out as follows:

Mayor \$107,766.99 for the year paid on pro rata fortnightly basis in arrears (base allowance \$85,312.54, electoral allowance \$22,454.45) and subject to individual activity and prior approval a professional development allowance not more than \$3,653.68.

Deputy Mayor \$37,161.04 for the year paid on a pro rata fortnightly basis in arrears (base allowance \$31,546.25, electoral allowance \$5,614.79) and subject to individual activity and prior approval a professional development allowance not more than \$3,653.68.

Aldermen \$20,958.59 for the year paid on a pro rata fortnightly basis in arrears (base allowance \$15,343.80, electoral allowance \$5,614.79) and subject to individual activity and prior approval a professional development allowance not more than \$3,653.68.

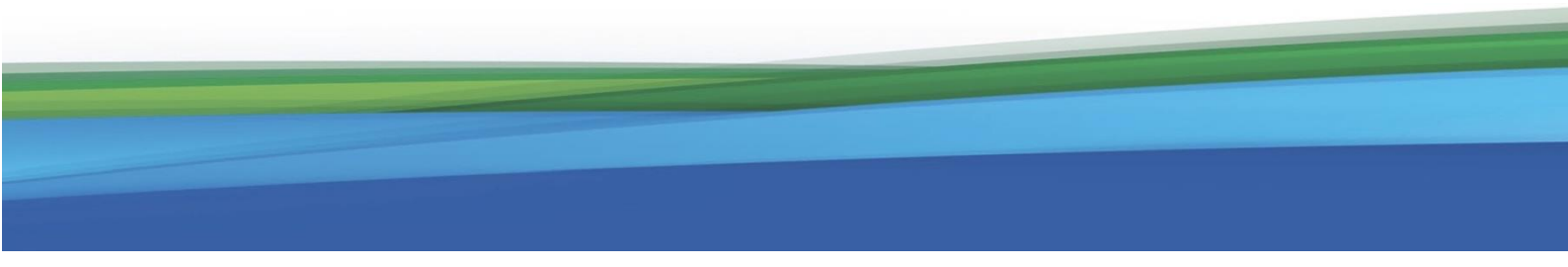
CARRIED 8/2689 – 06/06/2017

Moved: Alderman Bunker

Seconded: Alderman Shutt

3. THAT Council set the Extra Meeting Allowance at \$150 per meeting, with conditions as set out in EM02 Elected Members Benefits and Support Policy.

CARRIED 8/2690 – 06/06/2017



- 13.1.2 Request from Power Water Authority to Remove 2 Trees – 44 and 46 McInnis Circuit Driver 8/1180

Moved: Alderman Pascoe-Bell
Seconded: Alderman Byrne

1. THAT Council receives Report Number 8/1180.

CARRIED 8/2691 – 06/06/2017

Moved: Alderman Pascoe-Bell
Seconded: Alderman Shutt

2. THAT Council endorse the removal of the trees.

CARRIED 8/2692 – 06/06/2017

- 13.1.3 Development Application PA2017/0189 on Lot 9148 (6) Pierssene Road, Yarrowonga for a warehouse, showroom sales, plant nursery and ancillary restaurant (Proposed Bunnings) 8/1181

Moved: Alderman Pascoe-Bell
Seconded: Alderman Bunker

1. THAT Council receives Report Number 8/1181.

CARRIED 8/2693 – 06/06/2017

Moved: Alderman Pascoe-Bell
Seconded:

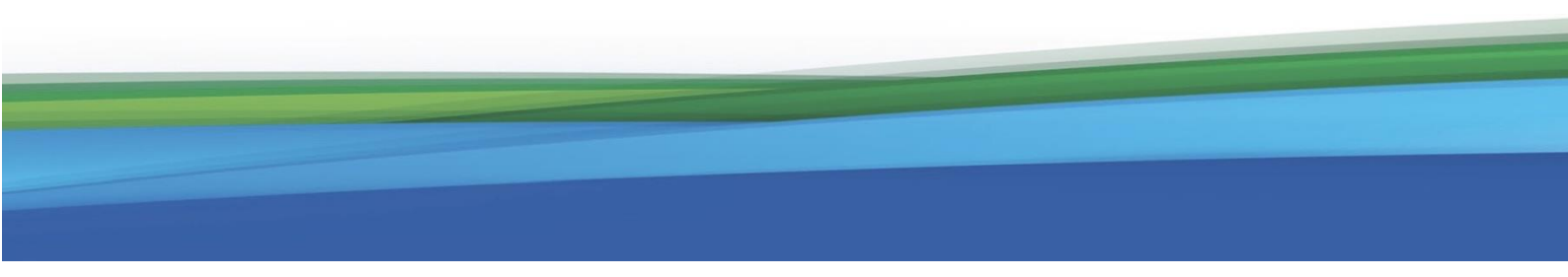
THAT Council endorses **Attachment A** to Report Number 8/1181.

MOTION LAPSED FOR WANT OF A SECONDER

Moved: Alderman Bunker
Seconded: Alderman Shutt

2. THAT Council endorses the comments in Attachment A subject to the removal of comments regarding carparking and reference to Council not supporting the application.

CARRIED 8/2694 – 06/06/2017



Alderman Byrne declared a conflict of interest and left the Chamber at 7.24pm.

- 13.1.4 Exceptional Development Permit Application (PA2017/0153) for 24 x 3 bedroom multiple dwellings in 4 x 2 storey buildings and a commercial development comprising a restaurant with drive-through in a 1 storey building and community-type uses in a 2 storey building on Lot 10288 (3) Tarakan Court, Johnston 8/1182

Moved: Alderman Pascoe-Bell

Seconded: Alderman Shutt

1. THAT Council receives Report Number 8/1182.

CARRIED 8/2695 – 06/06/2017

Moved: Alderman Shutt

Seconded: Alderman Pascoe-Bell

2. THAT Council endorses **Attachment A** to Report Number 8/1182.

CARRIED 8/2696 – 06/06/2017

Alderman Byrne returned to Chambers at 7.29pm.

- 13.1.5 Development Application – Variation – Changes to the development approved by DP17/0046 resulting in 14 x 2 and 22 x 3 bedroom multiple dwellings, ground level commercial and office tenancies and a car parking facility in an 8 storey building in 2 stages on Lot 9609 & 10024 (11) The Boulevard and (7) Palmerston Circuit, Palmerston City 8/1184

Moved: Alderman Shutt

Seconded:

1. THAT pursuant to Section 65 of the Local Government Act, Council orders that the public be excluded from the meeting with the exception of the Acting Chief Executive Officer, Director of Technical Services, Director of Community Services and Minute Secretary on the basis that Council considers it necessary and appropriate to act in a manner closed to the public in order to receive, discuss and consider the report and associated documents in relation to confidential agenda item 13.1.5 Development Application – Variation – Changes to the development approved by DP17/0046 resulting in 14 x 2 and 22 x 3 bedroom multiple dwellings, ground level commercial and office tenancies and a car parking facility in an 8 storey building in 2 stages on Lot 9609 & 10024 (11) The Boulevard and (7) Palmerston Circuit, Palmerston City and that Council is satisfied that the meeting should be conducted in a place open to the public is outweighed in relation to the matter because receiving, considering and discussing the report and associated documentation involves:

(c) information that would, if publicly disclosed, be likely to:

- (i) cause commercial prejudice to, or confer an unfair commercial advantage on, any person; or

This item is considered confidential pursuant to Regulation 8 (c)(i) of the Local Government (Administration) Regulations.

- 13.1.5 Development Application – Variation – Changes to the development approved by DP17/0046 resulting in 14 x 2 and 22 x 3 bedroom multiple dwellings, ground level commercial and office tenancies and a car parking facility in an 8 storey building in 2 stages on Lot 9609 & 10024 (11) The Boulevard and (7) Palmerston Circuit, Palmerston City (continued) 8/1184

2. THAT Council orders that the minutes from the Confidential Council meeting held on 2 May 2017, in relation to confidential item number 13.1.5 Development Application – Variation – Changes to the development approved by DP17/0046 resulting in 14 x 2 and 22 x 3 bedroom multiple dwellings, ground level commercial and office tenancies and a car parking facility in an 8 storey building in 2 stages on Lot 9609 & 10024 (11) The Boulevard and (7) Palmerston Circuit, Palmerston City, the report and associated documents be brought back into the open session.

MOTION LAPSED FOR WANT OF A SECONDER

Moved: Alderman Byrne
Seconded: Alderman Shutt

1. THAT Council receives Report Number 8/1184.

CARRIED 8/2697 – 06/06/2017

Moved: Alderman Pascoe-Bell
Seconded: Alderman Byrne

2. THAT Development Assessment Services be advised that Council has no comment to make regarding Planning Application PA2017/004. Council therefore withdraws its letter dated 2 June 2017 regarding this matter.

CARRIED 8/2698 – 06/06/2017

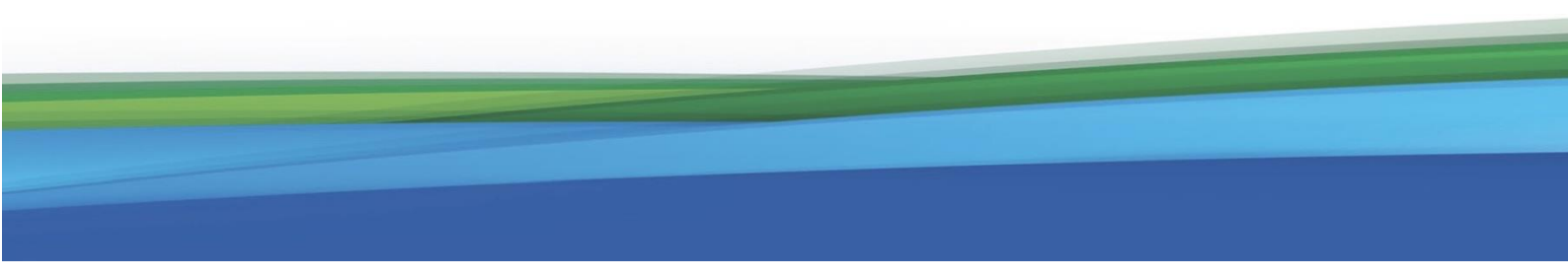
- 13.1.6 Affixation of Common Seal – Variation to Crown Lease Term 2402 over Lot 11497 Town of Palmerston 8/1186

Moved: Alderman Bunker
Seconded: Alderman Pascoe-Bell

1. THAT Council receives Report Number 8/1186.
2. THAT the Mayor and Chief Executive Officer be authorised to sign and seal the Variation of Crown Lease for Crown Lease Term (CLT) 2402 over Lot 11497 Town of Palmerston.

CARRIED 8/2699 – 06/06/2017

Deputy Mayor McKinnon entered Chambers at 7.45pm.



13.1.7 Super Block and Water Tower Carparking Changes 8/1187

Moved: Alderman Pascoe-Bell

Seconded: Alderman Shutt

1. THAT Council receives Report Number 8/1187.

CARRIED 8/2700 – 06/06/2017

Moved: Alderman Pascoe-Bell

Seconded:

THAT the Northern Territory Government be advised that Council would be prepared to enforce Traffic Regulations in regard to parking on the Super Block carpark at a cost of \$50 per bay per annum indexed each year by the Darwin CPI.

MOTION LAPSED FOR WANT OF A SECONDER

13.1.8 Northern Territory PGA Championship Sponsorship Expenditure 8/1188

Moved: Alderman Shutt

Seconded: Alderman Byrne

1. THAT Council receives Report Number 8/1188.
2. THAT Council expenditure for the sponsorship of the 2017 NT PGA Championship be met from the 2017/18 Events Budget.

CARRIED 8/2701 – 06/06/2017

Alderman Byrne declared a conflict of interest and left the Chamber at 7.53pm.

13.1.9 EOI Insurance Cover for Financial Year 2017/18 8/1190

Moved: Deputy Mayor McKinnon

Seconded: Alderman Pascoe-Bell

1. THAT Council receives Report Number 8/1190.

CARRIED 8/2702 – 06/06/2017

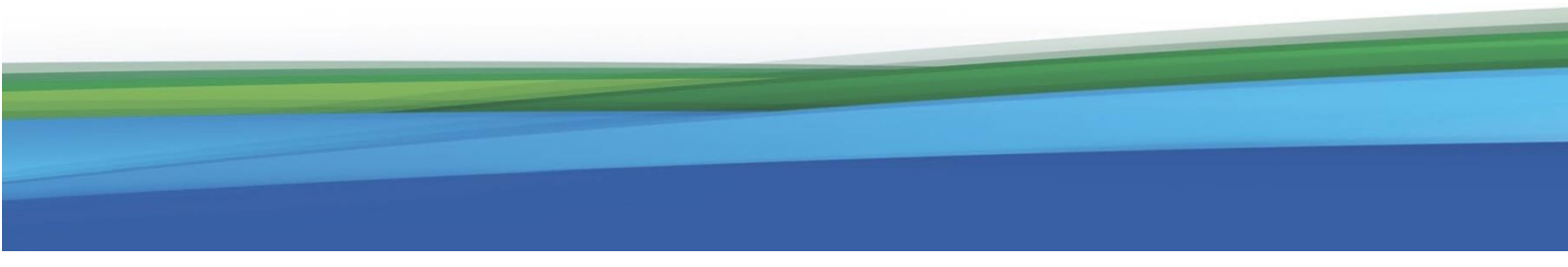
Moved: Alderman Pascoe-Bell

Seconded: Alderman Shutt

2. THAT Council approve the recommendation that Jardine Lloyd Thompson Pty Ltd be Council's insurance broker for the financial year 2017/18.

CARRIED 8/2703 – 06/06/2017

Alderman Byrne returned to Chambers at 7.54pm.



14 CORRESPONDENCE

14.1 Review of Constitutional Arrangements - Department of Housing and Community Development

Moved: Alderman Pascoe-Bell
Seconded: Deputy Mayor McKinnon

THAT Council receives the correspondence from Shaun Hardy, Director of Local Government Regions and Operations regarding the City of Palmerston Review of Constitutional Arrangements.

CARRIED 8/2704 - 06/06/2017

15 RESPONSE TO PREVIOUS QUESTIONS TAKEN ON NOTICE

Nil

16 PUBLIC QUESTION TIME

The Chair answered questions from the public relating to the rainbow flag in Goyder Square, development questions for Goyder Square and Temple Terrace, paid parking repercussions in the CBD and directing a tree species query.

Maryanne Muller of Moulder asked "Is there any development happening in Moulden for families - any playgrounds, shade, barbeques and landscaping in Moulden for ratepayers with young families?" and "Does Council offer a program to provide residents with trees to plant on verges?"

The Chair took the question on notice.

Bronwyn Simmons of Bakewell asked "Does Council have a (inaudible) street tree policy?"

The Chair took the question on notice.

17 OTHER BUSINESS

17.1 Tender CS2017-01 Management of Palmerston Swimming and Fitness Centre 8/1196

Moved: Alderman Bunker
Seconded: Deputy Mayor McKinnon

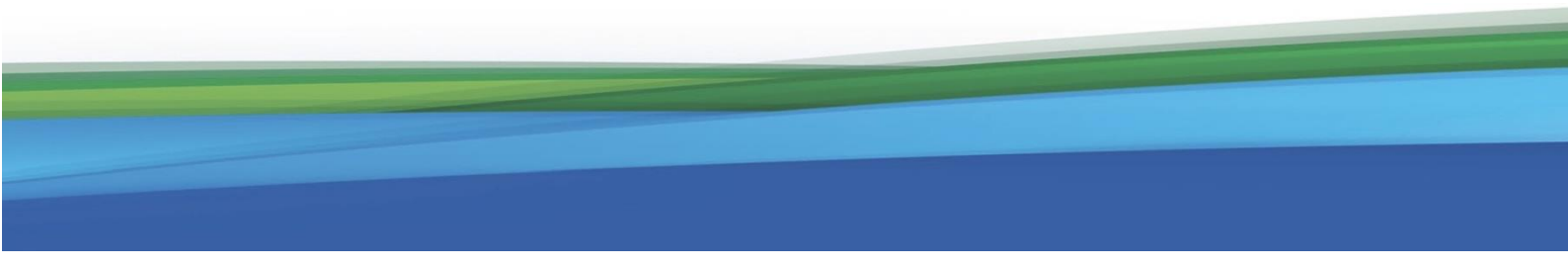
1. THAT Council accept the late Report Number 8/1196.

CARRIED 8/2705 - 06/06/2017

Moved: Alderman Pascoe-Bell
Seconded: Deputy Mayor McKinnon

2. THAT Council receives Report Number 8/1196.

CARRIED 8/2706 - 06/06/2017



17.1 Tender CS2017-01 Management of Palmerston Swimming and Fitness Centre (continued)
8/1196

Moved: Alderman Bunker
Seconded: Alderman Pascoe-Bell

3. THAT Council nominate Alderman Shutt, Chair of Community, Culture and Environment Committee, Deputy Mayor Sue McKinnon and Mayor Abbott as members of the CS2017-01 Management of the Palmerston Swimming and Fitness Centre Tender Evaluation Panel.

CARRIED 8/2707 – 06/06/2017

Moved: Alderman Pascoe-Bell
Seconded:

THAT Council accept the late tender for CS2017-01 Management of Palmerston and Swimming Fitness Centre.

MOTION LAPSED FOR WANT OF A SECONDER

17.2 Response letter from Minister McCarthy – Loan Application

Moved: Deputy Mayor McKinnon
Seconded: Alderman Pascoe-Bell

THAT Council receives the response letter from The Hon Gerry McCarthy MLA, Minister for Housing and Community Development regarding the City of Palmerston Application for Approval to Borrow.

CARRIED 8/2708 – 06/06/2017

17.3 Alderman Pascoe-Bell

Moved: Alderman Pascoe-Bell
Seconded: Deputy Mayor McKinnon

THAT all tender documents are made available for download online.

CARRIED 8/2709 – 06/06/2017

18 CONFIDENTIAL REPORTS

Moved: Alderman Pascoe-Bell
Seconded: Alderman Shutt

18.1 Confidential Action Report 8/1183

1. THAT pursuant to Section 65 of the Local Government Act, Council orders that the public be excluded from the meeting with the exception of the Acting Chief Executive Officer, Director of Technical Services, Director of Community Services and Minute Secretary on the basis that Council considers it necessary and appropriate to act in a manner closed to

the public in order to receive, discuss and consider the report in relation to confidential agenda item 18.1 Confidential Action Report and that Council is satisfied that the meeting should be conducted in a place open to the public is outweighed in relation to the matter because receiving, considering and discussing the report and associated documentation involves:

(e) information provided to the council on condition that it be kept confidential.

This item is considered confidential pursuant to Regulation 8 (e) of the Local Government (Administration) Regulations.

2. THAT Council orders that the report from the Confidential Council Meeting held on 6 June 2017 in relation to item number 18.1 Confidential Action Report remain confidential and not available for public inspection.

18.2 Financial Hardship Application - 106254

8/1191

1. THAT pursuant to Section 65 of the Local Government Act, Council orders that the public be excluded from the meeting with the exception of the Acting Chief Executive Officer, Director of Technical Services, Director of Community Services and Minute Secretary on the basis that Council considers it necessary and appropriate to act in a manner closed to the public in order to receive, discuss and consider the report and associated documents in relation to confidential agenda item 18.2 Financial Hardship Application - 106254 and that Council is satisfied that the meeting should be conducted in a place open to the public is outweighed in relation to the matter because receiving, considering and discussing the report and associated documentation involves:

(b) information about the personal circumstances of a resident or ratepayer;

This item is considered confidential pursuant to Regulation 8 (b) of the Local Government (Administration) Regulations.

2. THAT Council orders that the minutes from the Confidential Council meeting held on 6 June 2017, in relation to confidential item number 18.2 Financial Hardship Application - 106254, the report and associated documents remain confidential and not available for public inspection for a period of 12 months from the date of this meeting or a lesser period as determined by the Chief Executive Officer.

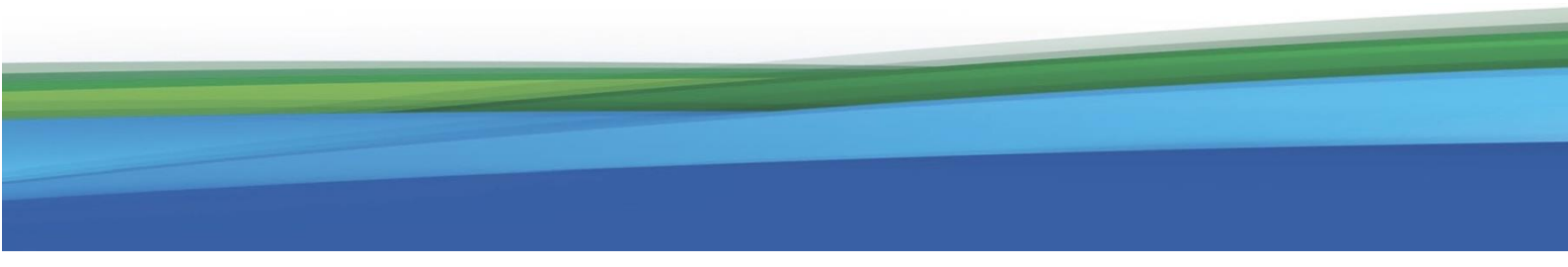
18.3 Financial Hardship Application - 102108

8/1192

1. THAT pursuant to Section 65 of the Local Government Act, Council orders that the public be excluded from the meeting with the exception of the Acting Chief Executive Officer, Director of Technical Services, Director of Community Services and Minute Secretary on the basis that Council considers it necessary and appropriate to act in a manner closed to the public in order to receive, discuss and consider the report and associated documents in relation to confidential agenda item 18.3 Financial Hardship Application - 102108 and that Council is satisfied that the meeting should be conducted in a place open to the public is outweighed in relation to the matter because receiving, considering and discussing the report and associated documentation involves:

(b) information about the personal circumstances of a resident or ratepayer;

This item is considered confidential pursuant to Regulation 8 (b) of the Local Government (Administration) Regulations.



2. THAT Council orders that the minutes from the Confidential Council meeting held on 6 June 2017, in relation to confidential item number 18.3 Financial Hardship Application - 102108, the report and associated documents remain confidential and not available for public inspection for a period of 12 months from the date of this meeting or a lesser period as determined by the Chief Executive Officer.

18.4 Financial Hardship Application – 101668

8/1193

1. THAT pursuant to Section 65 of the Local Government Act, Council orders that the public be excluded from the meeting with the exception of the Acting Chief Executive Officer, Director of Technical Services, Director of Community Services and Minute Secretary on the basis that Council considers it necessary and appropriate to act in a manner closed to the public in order to receive, discuss and consider the report and associated documents in relation to confidential agenda item 18.4 Financial Hardship Application – 101668 and that Council is satisfied that the meeting should be conducted in a place open to the public is outweighed in relation to the matter because receiving, considering and discussing the report and associated documentation involves:

(b) information about the personal circumstances of a resident or ratepayer;

This item is considered confidential pursuant to Regulation 8 (b) of the Local Government (Administration) Regulations.

2. THAT Council orders that the minutes from the Confidential Council meeting held on 6 June 2017, in relation to confidential item number 18.4 Financial Hardship Application – 101668, the report and associated documents remain confidential and not available for public inspection for a period of 12 months from the date of this meeting or a lesser period as determined by the Chief Executive Officer.

18.5 Financial Hardship Application - 105270

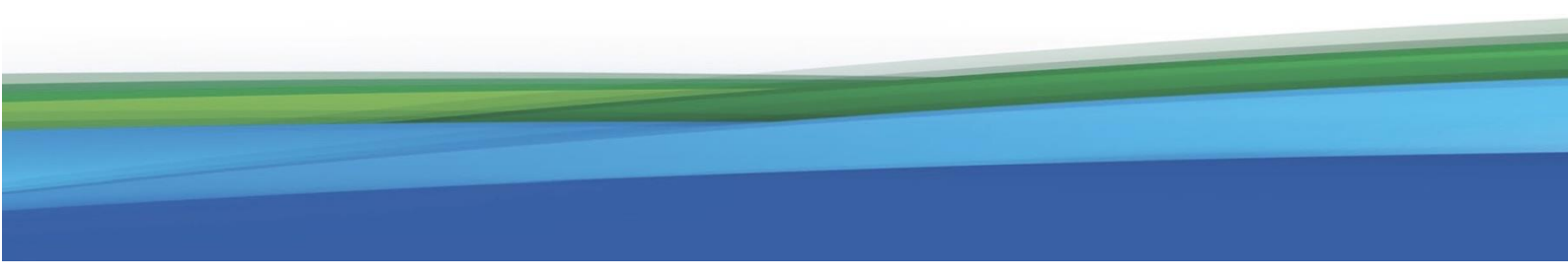
8/1194

1. THAT pursuant to Section 65 of the Local Government Act, Council orders that the public be excluded from the meeting with the exception of the Acting Chief Executive Officer, Director of Technical Services, Director of Community Services and Minute Secretary on the basis that Council considers it necessary and appropriate to act in a manner closed to the public in order to receive, discuss and consider the report and associated documents in relation to confidential agenda item 18.5 Financial Hardship Application - 105270 and that Council is satisfied that the meeting should be conducted in a place open to the public is outweighed in relation to the matter because receiving, considering and discussing the report and associated documentation involves:

(b) information about the personal circumstances of a resident or ratepayer;

This item is considered confidential pursuant to Regulation 8 (b) of the Local Government (Administration) Regulations.

2. THAT Council orders that the minutes from the Confidential Council meeting held on 6 June 2017, in relation to confidential item number 18.5 Financial Hardship Application - 105270, the report and associated documents remain confidential and not available for public inspection for a period of 12 months from the date of this meeting or a lesser period as determined by the Chief Executive Officer.



18.6 Update on Sale of Lot 12965

8/1195

2. THAT pursuant to Section 65 of the Local Government Act, Council orders that the public be excluded from the meeting with the exception of the Acting Chief Executive Officer, Director of Technical Services, Director of Community Services and Minute Secretary on the basis that Council considers it necessary and appropriate to act in a manner closed to the public in order to receive, discuss and consider the report and associated documents in relation to confidential agenda item 18.6 Update on Sale of Lot 12965 and that Council is satisfied that the meeting should be conducted in a place open to the public is outweighed in relation to the matter because receiving, considering and discussing the report and associated documentation involves:

(c) information that would, if publicly disclosed, be likely to:

- (i) cause commercial prejudice to, or confer an unfair commercial advantage on, any person; or

This item is considered confidential pursuant to Regulation 8 (c)(i) of the Local Government (Administration) Regulations.

2. THAT Council orders that the minutes from the Confidential Council meeting held on 2 May 2017, in relation to confidential item number 18.6 Update on Sale of Lot 12965, the report and associated documents remain confidential and not available for public inspection for a period of 2 years from the date of this meeting or a lesser period as determined by the Chief Executive Officer.

CARRIED 8/2710 – 06/06/2017

The meeting moved into the Confidential Session at 8:45pm.

18.7 Moving decisions from the Confidential Session into the Open Session

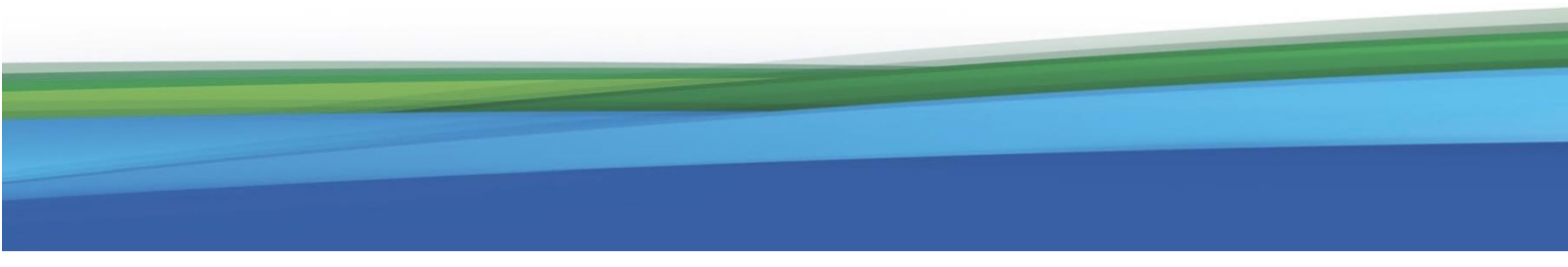
4.2 Financial Hardship Application – 106254

8/1191

1. THAT Council receives Report Number 8/1191.
2. THAT Council approves remission of interest for the period 18 May 2017 to 30 June 2017 for assessment 106254 under the conditions of the rates concession policy FIN17.
3. THAT the resolutions only come back to the open session.

4.3 Financial Hardship Application – 102108

8/1192

1. THAT Council receives Report Number 8/1192.
 2. THAT Council approves remission of interest for the period 11 April 2017 to 30 June 2017 for assessment 102108 under the conditions of the rates concession policy FIN17.
 3. THAT the resolutions only come back to the open session.
- 

4.4 Financial Hardship Application - 101668

8/1193

1. THAT Council receives Report Number 8/1193.
2. THAT Council approves remission of interest for the period 6 April 2017 to 30 June 2017 for assessment 101668 under the conditions of the rates concession policy FIN17.
3. THAT the resolutions only come back to the open session.

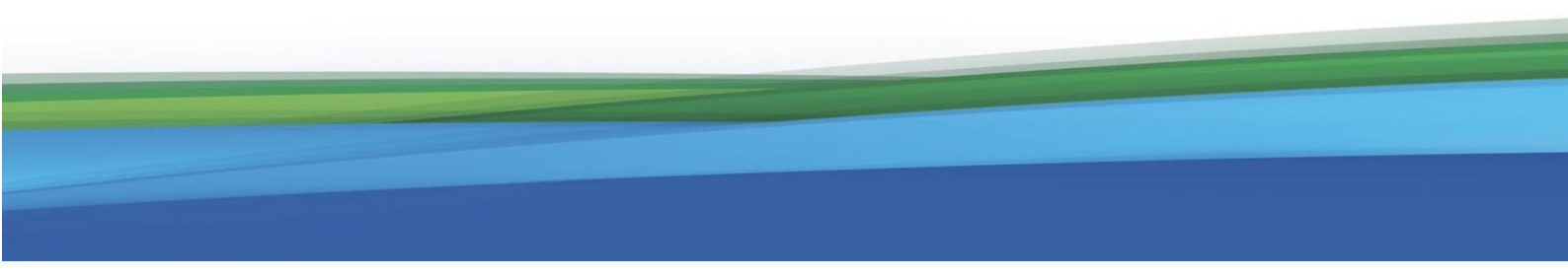
4.5 Financial Hardship Application - 105270

8/1194

1. THAT Council receives Report Number 8/1194.
2. THAT Council approves remission of interest for the period 4 May 2017 to 30 June 2017 for assessment 105270 under the conditions of the rates concession policy FIN17.
3. THAT the resolutions only come back to the open session.

19 CLOSURE

Meeting closed at 10.02pm



ITEM NUMBER: 17.1 Tender CS2017 -01 Management of Palmerston Swimming and Fitness Centre

FROM: Director of Community Services

REPORT NUMBER: 8/1196

MEETING DATE: 6 June 2017

Municipal Plan:

1. Community & Cultural Wellbeing

1.4 Recreation

1.4 We are committed to providing quality recreation and sporting facilities, parks, gardens, playgrounds and open spaces for the benefit of our community

Summary:

This report seeks that Council consider nominating three (3) elected members to form the Tender Evaluation Panel for Tender CS2017-01 Management of Palmerston Swimming and Fitness Centre. The panel will be required to undertake the assessment of tenders received and make recommendations to Council. This report also provides Council with the details of a late tender and seeks a resolution to accept or reject the late tender:

RECOMMENDATION

1. THAT Council accept the late Report Number 8/1196.
2. THAT Council receives Report Number 8/1196.
3. THAT Council nominate Alderman Shutt, Chair of Community Culture and Environment Committee, and as members of the CS2017-01 Management of the Palmerston Swimming and Fitness Centre Tender Evaluation Panel.
4. THAT Council accept the late tender for CS2017-01 Management of Palmerston Swimming and Fitness Centre.

Background:

On 11 May 2017 Tender CS2017-1 Management of the Palmerston Swimming and Fitness Centre was advertised on www.tenders.net, Council website and via public notice in the Northern Territory News.

Tenders closed on 1 June 2017 at 2:00pm.

General:

Council has received more than one (1) tender and therefore requires a Tender Evaluation Panel to undertake the assessment of tenders received and make a recommendation to Council for a decision.

In accordance with FIN04 Procurement Policy, it is recommended that Alderman Shutt, as Chair of the Community Cultural and Environment Committee, represent on the Tender Evaluation Panel.

Due to the strong sentiment, community concern and interest expressed in the future of the Palmerston Swimming and Fitness Centre, it is also recommended that the remaining members of the Tender Evaluation Panel, a minimum of two (2), consist of Elected Members of Council.

The Tenders will be evaluated against both priced and no-priced criteria. Prices will be evaluated using the Comparative Price Method. Council staff will provide support to the Panel throughout the assessment process including coordination of panel meetings, and preparation of the Tender Evaluation Report for Council.

Due to time constraints the Tender Evaluation Report will be presented directly to Council. Subject to the Council awarding a contract the successful tenderer could therefore be operational prior to 1 July 2017.

Alternatively, a Tender Evaluation Panel can be formed, as stated in FIN04 procurement Policy, consisting of at least one (1) Director or CEO, Chair of the CCE Committee or their delegate, and a senior staff member.

Further, for council's consideration, a late tender was received at 2:06pm on 1 June 2016 via email and then in hard copy at 2.46pm on 1 June 2017. The Request for Tender states that "late tenders will not be accepted and returned to the tenderers without being considered". Despite this clause it is at Council's discretion as to whether it wishes to accept a non-conforming tender. In accepting a non-conforming tender Council should be diligent in ensuring that confidentiality has been maintained at all times.

The digital copy of the late tender was received at 2:06pm on Thursday 1 June 2017, 6 minutes after the tender closing period. At the time of receiving the digital copy of the tender the tender receiving panel were still in the process of opening tenders, no tenders had been reviewed and confidentiality was maintained. The late tender submitted was not signed.

Staff recommend that Council accept the late tender and assess it against others subject to the tenderer signing the tender.

Financial Implications:

N/A

Legislation/Policy:

FIN 04 Procurement Policy

Recommending Officer: Jan Peters, Director of Community Services

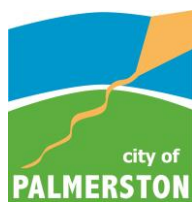
Any queries on this report may be directed to Jan Peters, Director of Community Services on telephone (08) 8935 9972 or email jan.peters@palmerston.nt.gov.au

Author: Jan Peters, Director of Community Services

Schedule of Attachments:

Attachment A: FIN04 Procurement Policy





Name:	Procurement Policy		
Type:	Council Policy		
Owner:	Chief Executive Officer		
Responsible Officer:	Manager Financial Services		
Approval Date:	21/06/2016	Next Review Date:	21/06/2018

1 Purpose

The purpose of this policy is to provide the planning processes for purchasing, including financial considerations, for a purchase order to be raised.

2 Principles

Council follows the legislative requirements for Procurement and established the following procedures for Purchasing.

3 Definitions

For the purposes of this Policy, the following definitions apply:

Term	Definition
Procurement	Procurement is the purchase, hire, lease, rental, exchange or any other commercial transaction involving the outlay of fund in return for the provision of all materials, products and services to Council, Council staff or third parties acting as representatives for Council.
Local Supplier	Is a supplier which has a place of business within the Northern Territory
Conflict of Interest	Conflict of Interest as defined in the Code of Conduct for staff.
Consultancy or other professional services	<p>A consultancy or other professional service mean a one off non-continuous supply of a professional service where the supply agreement is for a particular activity, general with a set start and finish date or for a set length of time (usually no more than six months).</p> <p>A consultancy is professional practice that provides advice within a particular professional service field. A professional service is usually provided by a tertiary trained person who may be required to hold a professional licence or be registered with a professional body.</p>
Period Contracts	Period contracts are contracts Council enters into that span more than one financial year, but must be not for a term in excess of three years (this includes any extension period if there is an option to extend the contract).

4 Policy Statement

4.1 Responsibility

City of Palmerston has a decentralised procurement model; therefore, the Directors within City of Palmerston have the responsibility to ensure that this procedure is adhered to. This responsibility shall not be delegated to a subordinate.

Council officers responsible for purchasing goods and services must comply with this policy and it is the officer's duty to understand the meaning and intent of this policy.

Council officers are required to:

- follow the standards of the Local Government Act and the corresponding regulations;
- preserve Council's integrity to ensure that Council may be seen to have acted beyond reproach in all procurement dealings; and
- abide by Council's Code of Conduct and all applicable policies and instructions.

Purchase of goods and services must not be broken down in unreasonable components, or order quantities reduced, in order to avoid the necessity to comply with the dollar limit requirements under this policy.

All relevant communication undertaken in the procurement process must be recorded in Council's electronic records system.

4.2 Procurement Principles

Council Officers must have regard to the following procurement principles in all procurement activities.

4.2.1 Budgetary Provisions

Procurement must be in accordance with the adopted annual budget or a council resolution and sufficient funds must be available to meet the full cost of the proposed procurement.

4.2.2 Value for Money

Council must harness its procurement power to achieve the best value for money. The concept of value for money is not restricted to price alone. The value for money assessment must include consideration of:

- contribution to the advancement of Council's priorities;
- fitness for purpose, quality, services and support;
- whole-life-costs including costs of acquiring, using, maintaining and disposal;
- internal administration costs
- technical compliance issues;
- benefits of purchasing from local supplier;
- risk exposure; and
- the value of any associated environmental benefits.

4.2.3 Open and effective competition

Council must give fair and equitable consideration to all prospective suppliers.

4.2.4 Development of competitive local business and industry

Where all other value-for-money assessment criteria are equal Council shall consider a “buy local first” philosophy to ensure that local suppliers have every opportunity to bid and supply if competitive. Council acknowledges that economic benefits flow to all local businesses where Council maximises opportunities for local suppliers to compete for Council’s business on the basis of value-for-money.

4.2.5 Environmental Protection

Council promotes environmental protection through its procurement processes. Therefore, Council endeavours to undertake procurement activities that will promote the purchase of environmentally friendly goods and services that satisfy the value for money assessment under this policy.

4.2.6 Ethical Behaviour Purchasing Officers

Council officers involved in procurement should act in an ethical manner in line with the obligations given by the Local Government Act. and the Code of Conduct:

- Ethical behaviour encompasses the concepts of honesty, integrity, probity, diligence, fairness, trust, respect and consistency
- In pursuit of ethical behaviour, officers will disclose to the appropriate senior officer any possible conflict of interest in the purchasing activity.
- Officers will deal with all suppliers in an honest, fair and even-handed manner.
- Officers will respect all in-confidence information received and not use it for personal gain, or to prejudice fair and open competition.
- Officers will not accept money, goods, loans, credits, purchasing incentives, services or prejudiced discounts.
- Officers will not use Council’s name or purchasing power to make purchases other than for Council use.

It is the responsibility of every Council Officer to report any potential or perceived conflict of interest to the CEO through their manager prior to any business dealings.

4.3 Electronic Procurement Process

Goods and Services will be obtained by use of an electronic purchasing system. Exempt from the electronic purchasing system process are credit card and petty cash transactions. Those transactions need to comply with the procedures and policies in place.

The process for procurement shall be explained in the following steps:

- a. Purchasing Officer must obtain a quote in line with the quotation process outlined in this policy for the procurement.
- b. The Officer or a delegate of the officer will raise a Purchase Order in Council’s Electronic purchasing system and attach any related communication undertaken in the process of the procurement.
- c. Within the electronic purchasing system the order will be approved by an officer with authority to incur expenditure on behalf of Council as delegated in the Financial Delegation Policy. The order will be sent to the vendor and retained electronically on the system.
- d. Payment for the purchase will be approved by an Authorised Officer in line with the given delegation in the Financial Delegation Policy. It is the Authorised Officer’s responsibility to ensure Goods and Services have been received, although other staff can receive goods and services on their behalf.

4.4 Quotation Requirements

When exercising purchasing delegation the following requirements must be observed in accordance with Section 28 of the Local Government (Accounting) Regulations.

Dollar values given in this section relate to the cost of the purchase and therefore are inclusive of GST. For the purpose of this policy “cost” is defined as the full cost of the procurement process inclusive of costs for administration, delivery and establishment of the goods and services.

When a supply agreement contains an option, by either party, to extend the agreement then the agreement is to be treated as if the option will be taken to identify quotation requirements.

In the case of period contracts every amount per financial year is treated as contiguous amount to identify quotation requirements.

Purchases with a value of \$5,000 or less

The Purchasing Officer does not require quotes under this policy.

Purchases with a value between \$5,001 and \$10,000

The Purchasing Officer has to obtain three verbal quotes.

Purchases with a value between \$10,001 and \$100,000

The Purchasing Officer requires a minimum of three written quotes. The Director must verify the successful quote and certify with reasoning if it is impractical to obtain three written quotations. This information is to be kept in the electronic purchasing system attached to the order.

Purchases with a value of more than \$100,000

The Authorised Officer has to call for a public tender and must follow instructions for public tender given in this policy and related administrative procedures.

4.5 Exemptions from Quotation and Tender requirements

4.5.1 In line with Section 30 Local Government (Accounting) Regulations quotations and tenders are not required for the following situations:

- Purchase of land
- Consultancy or other professional services
- Travel and accommodation
- If the Minister dispenses, in a particular case, with the requirement to call for quotations or tenders
- If the supplies are to be obtained under a contract to which any of the following is a party:
 - a) the Territory
 - b) the Commonwealth
 - c) a State or another Territory
 - d) another council
 - e) a local government subsidiary
 - f) LGANT

This only applies for (d), (e) and (f) if the supply has been authorised by resolution of the council; and notice of the resolution has been published on the council's website.

- 4.5.2 Furthermore under Section 31 Local Government (Accounting) Regulations Council can make an application to the Department of Local Government to refrain from the quotation and tender obligations. The request shall be made with the Local Government (Accounting) Regulations Exemption Form located on the Department of Local Government and Community Services website.
- 4.5.3 The following Specific Local Government Procurement Exemptions were issued by the Department of Local Government and Community Services in a letter to Council dated 22 February 2016:
- Telecommunication services, where there is only one supplier or it is more efficient to purchase additional services from the existing supplier;
 - For the renewal and/or upgrade of existing licenses particularly for software already utilised in council's operations;
 - Regular training to maintain an existing licence, qualification, software or equipment;
 - Contracts entered into regarding the Aboriginal Land Rights Act section 19 leases;
 - Contracts entered into regarding the rent or operating lease of land and/or building where an extensive review of various available properties of the kind required has been considered and documents have been kept by council to show this review was undertaken;
 - Where a Commonwealth funding agreement, entered into by council, specifically states the entity to which some or all of the funding is to be paid to undertake services for which the agreement relates;
 - Where, in relation to Natural Disaster Relief and Recovery Arrangements, the council determines a particular supplier is the best provider to undertake the recovery work after a disaster event.

A further exemption has been granted in a letter to Council by the Department of Local Government and Community Services dated 18 May 2016:

- Procurement of insurance services through an insurance broker. Exemption does not apply to the brokerage service fees nor to insurance services not procured through an insurance broker.

4.6 Tender Process

In line with Section 29 Local Government (Accounting) Regulations council must not enter into a contract for the provision of supplies to the council at a cost of more than \$100,000, unless it has first called for tenders for that contract by public notice published in a newspaper circulating the council's area.

The subsequent process needs to be followed in line with the Local Government (Accounting) Regulations:

- a. Call for tender with public notice containing statement to the effect that notice of the successful tender will be published on the council's website.
- b. Tender received may only be opened in the presence of the Chief Executive Officer, Director of Technical Services and Director of Corporate and Community Services or their delegates.
- c. Tender evaluation will be conducted by the Tender Evaluation Panel described in this policy and relevant procedures.
- d. Council must accept the tender by written notice to the person who submitted the successful tender and give notice of the successful tender in writing to each other person who submitted a tender; and by publishing the notice on the council's website.

- e. The notice of successful tender on the council's website must include the name of the person who submitted the successful tender; the supplies to be provided; and the tender price.

4.7 Tender Evaluation Panel (TEP)

The Tender Evaluation Panel (TEP) will consist of:

- at least one Director or CEO; and
- the Chair of the relevant standing Committee or their delegate; and
- a minimum of one senior staff member.

The Director or CEO can assign a delegate to act on their behalf on the panel if no elected member is part of the TEP.

The Panel Chair shall be the Director or CEO or their delegate.

The following processes will occur when evaluating a tender:

- a. The Tender Evaluation Panel (TEP) will decide on the Assessment Criteria and the percentage weighting that will be allocated against each criteria.
- b. The evaluation will be based on the written information provided in the submission, which may be supplemented by information from reviews or workshops. While the TEP may seek further information or clarification at its absolute discretion, it is under no obligation to do so.
- c. The TEP may undertake negotiations with any tenderer concerning the impact of additions, deletions or amendments to the Technical Specifications.
- d. The TEP will evaluate the tenders on 'non-price' only. Prices will be evaluated using the Comparative Price Method.
- e. The TEP will present its recommendation in the form of the Tender Evaluation Report.
- f. A draft Council report must be prepared for the appropriate Director or CEO's approval. All TEP documentation must be attached for the information of the Director.
- g. The recommendations of the TEP will be reported to the appropriate standing Committee of Council. Where time prohibits this, a special meeting of the standing Committee will be called.
- h. The report will be presented to Council at the next available meeting.

4.8 Collective Procurement

In line with Part 13 Division 2 Local Government (Accounting) Regulations the following definitions and requirements apply for Collective Procurement.

4.8.1 Procurement Group

Two or more entities (a council; a local government subsidiary; LGANT) that propose to obtain supplies may form a group (a *procurement group*) to act collectively for the purpose of obtaining the supplies.

Before commencing to act as a procurement group, the entities in the group must enter into a written agreement (a *collective procurement agreement*) setting out the arrangements for the collective procurement by the group. If a procurement group complies with Division 2 Part 13 Local Government (Accounting) Regulations, a council that is in the group is not required to separately comply with Division 1 Part 13 Local Government (Accounting) Regulations.

4.8.2 Collective Procurement Agreement

A collective procurement agreement must set out:

- a) The entities that constitute the group; and
- b) The supplies that are to be obtained; and
- c) Which of the entities in the group is to be the lead entity for the group; and
- d) Any matters required for regulation 30D(2)(b) Local Government (Accounting) Regulations; and
- e) For regulation 30D(3) Local Government (Accounting) Regulations – the individuals who are to constitute the group's tender committee; and
- f) Multiple contract arrangements; and
- g) Partial acceptance arrangements; and
- h) The decision making process for acceptance of quotations or tenders for the group will be made, including any variations in that process necessary to accommodate the group's multiple contract arrangements and partial acceptance arrangements; and
- i) How administrative and other costs associated with the collective procurement are to be allocated between the members of the group; and
- j) The process for setting disputes between the entities in the group about the collective procurement; and
- k) The process by which the agreement may be terminated; and
- l) A copy of the collective procurement agreement must be made available to a prospective supplier or tenderer on request.

4.8.3 Collective Procurement Group Tender Committee

In line with 30C(2) Local Government (Accounting) Regulations the committee must include at least one person representing each entity in the group. The person representing a council must be a member of the council or a member of the council's staff designated by the council for that purpose. And a member of the committee may be identified by name or as the person from time to time holding or occupying a named office, designation or position.

4.8.4 Multiple Contract Arrangements

In line with 30C(3) Local Government (Accounting) Regulations multiple contract arrangements are arrangements as to whether the members of the group will consider quotations or tenders for the provision of supplies:

- a) Only under a single contract entered into by all members of the group; or
- b) Only under separate contracts entered into by each member of the group; or
- c) Under either a single contract or separate contracts.

4.8.5 Partial Acceptance Arrangements

In line with 30C(4) Local Government (Accounting) Regulations partial acceptance arrangements are arrangements as to:

- a) Whether a quotation or tender received by the group may be accepted by some but not all entities in the group; and

- b) If a quotation or tender may be accepted by some but not all entities:
 - The amount or proportion of supplies being sought that relate to each entity in the group; and
 - What variation in the quotation or tender price will be allowed in the event of partial acceptance.

4.8.6 Collective Procurement Procedure

The following provisions apply in relation to the obtaining of supplies by a procurement group as if the group were a council:

- a) Regulation 28 Local Government (Accounting) Regulations
- b) Regulation 29 Local Government (Accounting) Regulations, other than sub regulation (2);
- c) Any other provision of the Act imposing requirements in relation to quotation or tendering procedures for a council.

Subject to sub regulation (4), the group's functions under those provisions must be exercised:

- a) By the lead entity on behalf of the group; or
- b) If the collective procurement agreement provides for a function to be exercised in a different way – in the way provided in the agreement.

If the procurement group is required to call for tenders for a contract, a tender received in response to the call may only be opened in the presence of at least 3 members of the group's tender committee.

The decision as to which (if any) quotation or tender is accepted must be made in accordance with the collective procurement agreement.

5 Associated Documents

- 5.1 City of Palmerston Policies
- 5.2 City of Palmerston Code of Conduct

6 References and Related Legislation

- 6.1 Northern Territory Local Government Act
- 6.2 Northern Territory Local Government (Administration) Regulations
- 6.3 Northern Territory Local Government (Accounting) Regulations
- 6.4 Australian Accounting Standards
- 6.5 Ministerial Guidelines
- 6.6 Local Government General Instructions



MINISTER FOR HOUSING AND
COMMUNITY DEVELOPMENT

Parliament House
State Square
Darwin NT 0800
minister.mccarthy@nt.gov.au

GPO Box 3146
Darwin NT 0801
Telephone: 08 8936 5553
Facsimile: 08 8928 6594

His Worship the Mayor of City of Palmerston
Mr Ian Abbott
City of Palmerston
PO Box 1
PALMERSTON NT 0831

Dear Mayor 

I am writing in response to your letter dated 21 April 2017 in which you sought approval for the City of Palmerston (council) to borrow \$14.5 million to fund the purchase of a 378 car parking structure to be built in the Palmerston central business district (CBD).


After considering the information provided in council's Application for Approval to Borrow Money and feedback from both the Department of Housing and Community Development and Department of Treasury and Finance, I am not in a position to approve the borrowing request at this time.

While I commend council for its focus on developing the Palmerston CBD, I note there is a difference in the amount council is seeking approval to borrow between your letter and the borrowing application. There are also information gaps regarding council's financial assumptions and contractual obligations. Furthermore, it is unclear whether council has undertaken any specific public consultation, which I strongly encourage council to do as part of the development of its 2017-18 municipal plan.

I have requested officers from the Department of Housing and Community Development to work with your council to strengthen the information and justification for council's borrowing application.

I wish council all the best for its future endeavours.

Yours sincerely


GERRY MCCARTHY
1/6/2017

