

**ADELAIDE HILLS COUNCIL
ORDINARY COUNCIL MEETING
Tuesday 27 March 2018
CONFIDENTIAL AGENDA BUSINESS ITEM**

RELEASED 15 JANUARY 2019

Item: 19.1

Originating Officer: Marc Salver, Director Strategy and Development

Responsible Director: Marc Salver, Director Strategy and Development

Subject: Adelaide Hills Region Waste Management Authority -
Purchase of Hooklift Truck

For: Decision

**1. Adelaide Hills Region Waste Management Authority Purchase of Hooklift Truck –
Exclusion of the Public**

Pursuant to section 90(2) of the *Local Government Act 1999* the Council orders that all members of the public, except:

- CEO, Andrew Aitken
- Director Engineering & Assets, Peter Bice
- Director Strategy & Development, Marc Salver
- Director Corporate Services, Terry Crackett
- Director Community & Customer Service, David Waters
- Executive Manager Governance & Performance, Lachlan Miller
- Minute Secretary, Pam Williams

be excluded from attendance at the meeting for Agenda Item 19.1: (Adelaide Hills Region Waste Management Authority - Purchase of Hooklift Truck) in confidence.

The Council is satisfied that it is necessary that the public, with the exception of Council staff in attendance as specified above, be excluded to enable Council to consider the report at the meeting on the following grounds:

Section 90(3)(d) of the *Local Government Act 1999*, the information to be received, discussed or considered in relation to this Agenda Item is commercial information of a confidential nature (not being a trade secret) the disclosure of which –

- (i) could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party; and
- (ii) would, on balance, be contrary to the public interest.

Accordingly, on this basis the principle that meetings of the Council should be conducted in a place open to the public has been outweighed by the need to keep the information and discussion confidential.

SUMMARY

The Adelaide Hills Region Waste Management Authority (AHRWMA) is a regional subsidiary, established under the *Local Government Act 1999*, between the Adelaide Hills Council, the District Council of Mount Barker, the Rural City of Murray Bridge and the Alexandrina Council. The AHRWMA operates the Brinkley landfill as a residual waste disposal site for its Member Councils.

A hooklift truck is utilised by the AHRWMA to transport bulk waste and recyclables from the waste transfer stations it manages on behalf of some constituent councils (e.g. the Heathfield Waste Transfer Station) in an efficient and cost effective manner. The current hook lift truck currently in use is aging, resulting in additional maintenance costs and therefore the Board endorsed a Tender process to purchase a new vehicle. This Tender process is now complete and the Board has considered a report, recommending the purchase of a new vehicle.

Council has been requested by the Authority to approve the purchase of a hooklift truck valued at \$303,085. Under its Charter the AHRWMA requires all Constituent Councils to approve purchases of plant items greater than \$250,000. The consent of all Constituent Councils is therefore required for the Authority to proceed with the proposed purchase as recommended by the Board of the Adelaide Hills Region Waste Management Authority.

RECOMMENDATION

Council resolves:

1. That the report be received and noted.
2. That as a Constituent Council of the Adelaide Hills Region Waste Management Authority, and in accordance with the Authority's Charter, the Council approves the purchase of a new hooklift truck for the transport of waste and recyclables to the value of \$303,085.45 exc. GST (plus on-roads of \$7,164 Stamp Duty & registration) and trade in of the Iveco 2004 model at a value of \$26,000 exc. GST.

1. GOVERNANCE

➤ Strategic Management Plan/Council Policy

Goal 4	Explore
Strategy 4.6	We will actively pursue opportunities to share resources and partner with others for better community outcomes.

The AHRWMA is a regional subsidiary between the Adelaide Hills Council, the District Council of Mount Barker, the Rural City of Murray Bridge and the Alexandrina Council. The regional approach provides for improved community outcomes in relation to minimising landfill costs through economies of scale and shared resourcing.

➤ Legal Implications

The AHRWMA is established under Section 43 of the *Local Government Act 1999*, "Ability of Councils to establish a regional subsidiary". Schedule 2 of the *Local Government Act 1999*,

which outlines the provisions for regional subsidiaries established under Section 43 of the Act, includes the need for a subsidiary to develop a charter. The charter of the AHRWMA is attached as **Appendix 1** of this report.

➤ **Risk Management Implications**

Consenting to the purchase of the new hooklift truck will assist in mitigating the risk of:

Inefficient bulk transportation of waste and recyclables leading to increased operating costs being passed onto Council.

Inherent Risk	Residual Risk	Target Risk
High (2A)	Medium (2C)	Low

Adopting the recommendation will not result in the creation of a mitigation action.

➤ **Financial and Resource Implications**

Consenting to the AHRWMA request to the purchase of a new hooklift truck in the 2017/18 Financial Year as budgeted for by the Authority will:

- Ensure the current hooklift truck service provided to our Heathfield Waste Transfer Station can continue to occur in an effective and cost effective manner, and
- Provide the AHRWMA with the ongoing ability to undertake core waste management functions for our Council relevant to its objectives as a regional subsidiary.

Noting the above, not consenting to the purchase of the hooklift truck may lead to increased waste disposal costs for Council. Other potential financial implications relating to the purchase of the hooklift truck relate to Council's interest in regard to any net assets or liabilities held by the AHRWMA on winding up of the Authority, or if Council elected to withdraw from the Authority. In summary, on winding up of the AHRWMA, Council would either receive its share of any net assets, or be liable for its share of any unfunded liabilities.

In regard to a Constituent Council withdrawing from the AHRWMA, that Council may, at the Board's discretion, receive no more than 20% of the Constituent Council's interest in the net asset percentage of the Authority. The withdrawing Council would, however, still be responsible for any loss or liability incurred by the Authority at any time before or after such withdrawal.

Given the above, the Authority has budgeted for the purchase of its 2017/18 capital items, including the hooklift truck, and this would have an impact upon Council if it were to withdraw from the Authority, or if the Authority were to wind up. It is noted however, that Council has always been bound by these requirements since becoming a Constituent Council of the AHRWMA and this outcome is therefore not new.

➤ **Customer Service and Community/Cultural Implications**

Having plant and equipment to operate the Heathfield Waste Transfer Station in an effective and efficient manner ensures maximum benefits to our Council as well as the other constituent councils and their ratepayers who utilise the hooklift truck service.

➤ **Environmental Implications**

Having a suitable and fit for purpose hooklift truck in place will allow the AHRWMA to provide an essential service to the waste transfer stations it manages on behalf of some constituent councils (e.g. the Heathfield Waste Transfer Station), and transfer such waste and recyclables in bulk to the Brinkley Landfill site for processing, thus minimising the impact of waste disposal on the environment.

➤ **Engagement/Consultation with Committee, Regional Subsidiary, Advisory Group and Community**

No community engagement is required with regard to the approval to purchase a hooklift truck by the Authority. The Board of the AHRWMA has considered this matter in February 2018 and is seeking approval from constituent councils to purchase the new hooklift truck as the cost exceeds the \$250,000 limit detailed in the Charter.

Council Committees: Not Applicable

Council Workshops: Not Applicable

Advisory Groups: Not Applicable

Administration: Director Corporate Services, Terry Crackett
Director Strategy & Development, Marc Salver

Community: Not Applicable

2. BACKGROUND

The Adelaide Hills Region Waste Management Authority consists of four Constituent Councils, namely, Adelaide Hills Council, Alexandrina Council, Mount Barker District Council and Rural City of Murray Bridge. The Authority is governed by its Charter and in accordance with the Charter the Authority facilitates and co-ordinates waste management on behalf of member Councils, including collection, treatment, disposal and recycling within the Region. In order to assist Member Councils in transporting waste and recyclables, particularly from transfer station sites, the Authority owns and operates a hooklift truck.

In December 2017 the Authority Board considered a review of the hooklift vehicle operation, which demonstrated the benefits of this service for its Member Councils. The review identified the expenses and income in relation to the hooklift operation and demonstrated that the costs of providing the service are covered by the income received from Member Councils using this service and are also offset by non-member Councils and other customers. The hooklift vehicle currently in use is aging, resulting in additional maintenance costs and therefore the Board endorsed a Tender process to purchase a new vehicle. This Tender process is now complete and the Board has considered a report, recommending the purchase of a new vehicle.

Under its Charter the AHRWMA requires all Constituent Councils to approve purchases of plant items greater than \$250,000. The consent of all Constituent Councils is therefore required for the Authority to proceed with the proposed purchase.

3. ANALYSIS

The replacement of the hooklift vehicle is included within the Authority's approved 2017/18 Budget and associated Long Term Financial Plan. A review of the operation was completed, followed by a tender and assessment process for the supply and delivery of a new hooklift truck for the AHRWMA's waste and recyclables transport operation.

The Board of the AHRWMA considered this matter at its 22 February 2018 Board meeting and resolved that a new hooklift truck be purchased for \$303,085 plus a trade in of (\$28,000), which falls within the target budget of \$300,000 (refer to **Attachment 2** – Hooklift Truck Tender Analysis)

The recommendation was adopted unanimously by the Adelaide Hills Region Waste Management Authority at the abovementioned Board Meeting.

As part of the AHRWMA 2017/18 Annual Business Plan the following Capital Program was adopted:

Capital Item	Budget Amount
Landfill Compactor replacement	\$ 720,000
Hooklift Truck replacement	\$ 300,000
Cell 8 Base Liner Construction	\$ 305,000
Vehicle Changeover	\$ 15,000
Total Approved Budget	\$1,340,000

Staff are therefore recommending that the Council approves the purchase of a new hooklift truck for the transport of waste and recyclables to the value of \$303,085.45 exc. GST (plus on-roads of \$7,164 Stamp Duty & registration) and trade in of the Iveco 2004 model at a value of \$26,000 exc. GST.

4. OPTIONS

Council has the following options:

- I. To approve the purchase of a new hooklift truck at the cost of \$303,085.45 exc. GST (plus on-roads of \$7,164 Stamp Duty & registration) and trade in of the Iveco 2004 model at a value of \$26,000 exc. GST. This option is recommended as it will prevent additional maintenance costs and possible breakdowns being incurred as a result of using the current aging hooklift truck.
- II. To not approve the purchase of the new hooklift truck. This option is not recommended as it will prevent the AHRWMA from resolving issues experienced with the current hooklift truck and potential for higher maintenance costs and possible disruptions to the service as a result of breakdowns.

5. APPENDICES

- (1) AHRWMA Charter
- (2) Hook Lift Truck Tender Analysis

Appendix 1

AHRWMA Charter

LOCAL GOVERNMENT ACT 1999

ADELAIDE HILLS REGION WASTE MANAGEMENT AUTHORITY

Amendments to the Rules

1. INTRODUCTION

1.1 Definitions

‘the Act’ means the Local Government Act 1999;

‘administration costs’ means as defined by LGA Accounting Regulations and AAS27 accounting standards;

‘annual asset percentage’ means the percentage that the Council’s annual mass bears to the combined annual masses of all Constituent Councils;

‘annual mass’ means the mass of rubbish and waste collected or disposed of from the area of a Constituent Council in the 12 months preceding 1 July in each calendar year;

‘the Authority’ means the Adelaide Hills Region Waste Management Authority;

‘Constituent Council’ has the same meaning as in section 43 of the Act and more particular refers to the:

1.1.1 District Council of Mount Barker;

1.1.2 Adelaide Hills Council;

1.1.3 Rural City of Murray Bridge; and

1.1.4 Alexandrina Council,

‘the Board’, ‘Board Members’ or ‘Board of Management’ means those Members appointed in accordance with Clause 3.2.1 of this Charter and acting collectively or singularly as the context requires;

‘Financial Year’ means 1 July in each year to 30 June in the subsequent year;

‘Hartley Landfill’ means that land which is held under certificate of title volume 5500, folio 460, by Robin Angas Harvey, Darrell Drew Harvey and Ian Brownhill Harvey comprising the southern portion of Section 299, Hundred of Freeling in the area of the Alexandrina Council which land is subject to a licence agreement with the Authority for purposes of bulk waste disposal and backfill and also a licence agreement with the District Council of Mount Barker for mining purposes (the latter licence to the Council prevailing in the event of any conflict between the licences);

‘net assets’ means total assets (current and non-current) less total liabilities (current and non-current) as reported in the annual audited financial statements of the Authority together with the net present value of the projected future cash inflows net of cash outflows of the remaining useable airspace over the Hartley Landfill as licensed by the Environment Protection Authority;

‘operating costs’ means expenses incurred in the delivery of the Authority’s services excluding administration costs;

‘Region’ means the collective areas of the Constituent Councils.

1.2 Establishment

The Authority is a regional subsidiary established under section 43 of the Act by the Constituent Councils and conducts its affairs in accordance with Schedule 2, Parts 2 and 3 of the Act except as modified by this Charter in a manner permitted by the Act.

1.3 National Competition Policy

The Authority does not undertake any commercial activities which constitute a significant business activity of the Authority to which the principles of competitive neutrality must be applied.

1.4 **Objects and Purposes**

The Authority is established for the following objects and purposes:

- 1.4.1 to facilitate and co-ordinate waste management including collection, treatment, disposal and recycling within the Region;
- 1.4.2 to develop and implement policies designed to improve waste management and recycling programmes and practices within the Region;
- 1.4.3 to regularly review the Region's waste management and recycling practices and policies;
- 1.4.4 to provide and operate a place or places for the treatment, recycling and disposal of waste collected by or in the areas of the Constituent Councils;
- 1.4.5 to develop further co-operation between the Constituent Councils in the collection, treatment, recycling and disposal of waste for which the Constituent Councils are or may become responsible;
- 1.4.6 to minimise the volume of waste collected in the areas of the Constituent Councils which is required to be disposed of by landfill;
- 1.4.7 to educate and motivate the community to achieve the practical reduction of waste through reuse and recycling initiatives;
- 1.4.8 to be financially self sufficient,

and in so doing will give due weight to economic, social and environmental considerations.

1.5 **Powers**

The powers, functions and duties of the Authority are to be exercised in the performance of the Authority's objects and purposes. The Authority shall have those powers, functions and duties delegated to it by the Constituent Councils from time to time which include but are not limited to the following:

- 1.5.1 to acquire, deal with and dispose of real and personal property (wherever situated) and rights in relation to real and personal property provided that it shall be a condition precedent that any such transaction may not incur a singular or a total liability of \$250 000 or more without the prior approval of all of the Constituent Councils;
- 1.5.2 to sue and be sued in its corporate name provided that any litigation is subject to an immediate urgent report to the Constituent Councils by the Executive Officer;
- 1.5.3 subject to Clauses 1.5.1, 1.5.12 and 1.6 of this Charter to enter into any kind of contract or arrangement;
- 1.5.4 to borrow funds and incur expenditure in accordance with Clauses 1.5.1, 1.5.2 and 1.6 of this Charter;
- 1.5.5 to establish a reserve fund or funds clearly identified for the upkeep and/or replacement of fixed assets of the Authority or for meeting any deferred liability of the Authority;
- 1.5.6 to invest any surplus funds of the Authority in any investment authorised by the Trustee Act 1936, or with the Local Government Finance Authority provided that:
 - 1.5.6.1 in exercising this power of investment the Authority must exercise the care, diligence and skill that a prudent person of business would exercise in managing the affairs of other persons; and
 - 1.5.6.2 the Authority must avoid investments that are speculative or hazardous in nature;
- 1.5.7 to distribute profit to the Constituent Councils and where this power of distribution is exercised to do so on a proportionate basis in accordance with the Schedule of Constituent Council's Interests in Net Assets as provided at Clause 7.2 of this Charter;

- 1.5.8 to enter into agreements with the Constituent Councils for the purpose of operating and managing sites for the treatment, recycling and disposal of waste;
- 1.5.9 to raise finance for all purposes relating to the collection, treatment, recycling and disposal of waste;
- 1.5.10 to determine the types of refuse and waste which will be received and the method of collection, treatment, recycling and disposal of the waste;
- 1.5.11 to enter into any kind of contract or arrangement to undertake projects and to undertake all manner of things relating to and incidental to the collection, treatment, recycling and disposal of waste, provided that any project with a value of \$500 000 or more requires the prior approval of all the Constituent Councils;
- 1.5.12 to commit the Authority to undertake a project in conjunction with any other Council or government agency and in doing so to participate in the formation of a trust, partnership or joint venture with the other body to give effect to the project provided that any project with a value of \$500 000 or more requires the prior approval of all of the Constituent Councils;
- 1.5.13 to employ, engage, remunerate, remove, suspend or dismiss the Executive Officer of the Authority;
- 1.5.14 to open and operate bank accounts;
- 1.5.15 to make submissions for and accept grants, subsidies and contributions to further its objects and purposes and to invest any funds of the Authority in any securities in which a Council may lawfully invest;
- 1.5.16 to charge whatever fees the Authority considers appropriate for services rendered to any person, body or Council (other than a Constituent Council) provided that such fees charged by the Authority shall be sufficient to cover the cost to the Authority of providing the service;
- 1.5.17 to charge the Constituent Councils fees for services that cover the cost to the Authority of providing the services;
- 1.5.18 to do anything else necessary or convenient for, or incidental to, the exercise, performance or discharge of its powers, functions or duties.

1.6 **Borrowings and Expenditure**

- 1.6.1 The Authority has the power to borrow and/or to incur expenditure in accordance with this Clause or Clauses 1.5.1 or 1.5.12 of this Charter or in accordance with its approved budget or otherwise as expressly authorised by resolutions (expressed in the same terms) passed by the Constituent Councils.
- 1.6.2 If the Authority intends to borrow money for the purposes of a project with expenditure of a capital nature in excess of \$500 000, the Authority must make a proposal in writing to all Constituent Councils outlining the amount of money proposed to be borrowed, the terms and conditions of the borrowing and the purpose to which the money will be put. The consent of all of the Constituent Councils is required for the Authority to proceed with the proposed borrowing.
- 1.6.3 For the purposes of Clause 1.6.2 such borrowings must:
 - 1.6.3.1 not be used for the purpose of funding operational costs;
 - 1.6.3.2 be from the Local Government Financial Authority or a registered bank or financial institution within Australia; and
 - 1.6.3.3 must be drawn down within a period of 24 months from the date of approval.
- 1.6.4 The Authority may operate an overdraft facility or facilities as required provided that it must not exceed \$100 000 in total without the approval of all of the Constituent Councils.

1.7 **Property**

- 1.7.1 All property held by the Authority is held by it on behalf of the Constituent Councils.
- 1.7.2 No person may sell, encumber or otherwise deal with any property of the Authority without the approval of the Board by way of a Board resolution.

1.8 **Delegation by the Authority**

The Board may by resolution delegate to the Executive Officer or to any officer of the Authority any of its powers, functions and duties under this Charter but may **not** delegate:

- 1.8.1 the power to impose charges;
- 1.8.2 the power to enter into transactions in excess of \$50 000;
- 1.8.3 the power to borrow money or obtain any other form of financial accommodation;
- 1.8.4 the power to approve expenditure of money on the works, services or operations of the Authority not set out in a budget approved by the Authority or where required by this Charter approved by the Constituent Councils;
- 1.8.5 the power to approve the reimbursement of expenses or payment of allowances to Members of the Board of Management;
- 1.8.6 the power to adopt budgets;
- 1.8.7 the power to adopt or revise financial estimates and reports; and
- 1.8.8 the power to make any application or recommendation to the Minister.

A delegation is revocable at will and does not prevent the Board from acting in a matter.

2. **STRUCTURE**

- 2.1 The Authority is a body corporate and is governed by its Board, which has the responsibility to manage the business and other affairs of the Authority ensuring that the Authority acts in accordance with this Charter.
- 2.2 All meetings of the Authority shall be meetings of the Board.
- 2.3 The Board will be entitled to make decisions in accordance with the powers and functions of the Authority established in this Charter.

3. **THE BOARD OF MANAGEMENT**

The Board shall have the responsibility to manage all of the activities of the Authority ensuring that the Authority acts in accordance with this Charter.

3.1 **Functions of the Board**

- 3.1.1 The formulation of strategic and business plans in accordance with Clause 5 of this Charter and the development of strategies aimed at improving the business of the Authority.
- 3.1.2 To provide policy direction to the Authority.
- 3.1.3 Monitoring, overseeing and measuring the performance of the Executive Officer of the Authority.
- 3.1.4 Subject to this Charter ensuring that the business of the Authority is undertaken in an open and transparent manner.
- 3.1.5 Ensuring that ethical behaviour and integrity is established and maintained by the Authority and its Board Members in all activities undertaken by the Authority.
- 3.1.6 Assisting in the development of strategic and business plans.
- 3.1.7 Exercising the care, diligence and skill that a prudent person of business would exercise in managing the affairs of other persons.
- 3.1.8 Developing and giving effect to policies that reflect the Authority's responsibilities under the National Competition Policy (if applicable) and the Trade Practices Act.

3.1.9 Ensuring that the Authority functions in accordance with its objects and purposes and within its approved budget.

3.2 **Membership**

3.2.1 The Board shall consist of eight Members (appointed by the Constituent Councils) as follows:

(a) one elected Member appointed by each Constituent Council; and

(b) one employee appointed by each Constituent Council.

3.2.2 Each Constituent Council will also appoint a deputy Board Member. The deputy Board Member is entitled to act in place of a Board Member appointed by the same Constituent Council if the Board Member is unable for any reason to be present at a Board meeting.

3.2.3 In the absence of the Board Member, a deputy Board Member will be deemed to be the Board Member and can exercise all rights, privileges and obligations of the Board Member during the absence of that Board Member.

3.2.4 A certificate signed by the Chief Executive Officer of a Constituent Council will be sufficient evidence of the appointment of a Board Member and deputy Board Member of the Board of Management.

3.2.5 There will be a Chairperson and a Deputy Chairperson of the Board elected by ballot of the whole Board from those Board Members who are appointed under Clause 3.2.1 (a) of this Charter.

3.2.6 The term of office for the Chairperson and Deputy Chairperson will expire at the annual general meeting of the Authority. The outgoing Chairperson and Deputy Chairperson will be eligible for re-election as well as all Authority Members.

3.2.7 The Chairperson shall preside at all meetings of the Board and in the absence of the Chairperson, the Deputy Chairperson will act in the office of Chairperson. In the absence of the Chairperson and the Deputy Chairperson the Board will elect an Acting Chairperson from amongst those Board Members present who have been appointed under Clause 3.2.1 (a) of this Charter.

3.2.8 Board Members are not required to submit returns under Chapter 5, Part 4, Division 2 of the Act.

3.3 **Term of Office**

3.3.1 The term of office of each Board Member shall be for a term determined by the Constituent Council appointing the Board Member. At the conclusion of this term all Board Members are eligible for re-appointment.

3.3.2 The office of a Board Member will become vacant upon:

3.3.2.1 the death of the Board Member; or

3.3.2.2 the appointing Constituent Council providing written notice of termination to the Board Member and the Board; or

3.3.2.3 if the Board Member is an elected Member of a Constituent Council upon ceasing to be an elected Member; or

3.3.2.4 if the Board Member is an officer of a Constituent Council, upon ceasing to be employed by the Council which appointed him/her; or

3.3.2.5 upon the Board Member providing his/her resignation in writing to one or more of the Constituent Councils; or

3.3.2.6 upon the happening of any other event through which the Board Member would be ineligible to remain as a Member of the Board; or

3.3.2.7 upon the Board Member becoming a bankrupt or applying for the benefit of a law for the relief of insolvent debtors.

- 3.3.3 The Board may by a two-thirds majority vote of the Members present (excluding the Board Member subject to this Clause) make a recommendation to a Constituent Council requesting it to terminate the appointment of a Board Member appointed by it in the event of any behaviour which in the opinion of the Board amounts to:
 - 3.3.3.1 impropriety;
 - 3.3.3.2 serious neglect of duty in attending to the responsibilities as a Member of the Board;
 - 3.3.3.3 breach of fiduciary duty to the Board or a Constituent Council;
 - 3.3.3.4 breach of the duty of confidentiality to the Board and/or the Constituent Councils; or
 - 3.3.3.5 any other behaviour which may discredit the Board.
- 3.3.4 Where, for any reason, the office of a Board Member becomes vacant the Constituent Council which appointed the Board Member will be responsible for appointing a replacement Board Member.

3.4 **Proceedings of the Board**

- 3.4.1 Subject only to the extent that they are modified by this Clause, the proceedings of the Board of Management will be those under Part 2 of the Local Government (Procedures at Meetings) Regulations 2000.
- 3.4.2 Subject only to the special provisions of this Clause, no meeting of the Board will commence until a quorum of Members is present and no meeting may continue if there is not a quorum of Members present. A quorum of Members will comprise one half of the Members in office, ignoring any fraction, plus one.
- 3.4.3 For the purposes of this subclause, the contemporary linking together by telephone, audio-visual or other instantaneous means ('telecommunications meeting') of a number of the Board Members provided that at least a quorum is present, is deemed to constitute a meeting of the Board. Each of the Board Members taking part in the telecommunications meeting, must at all times during the telecommunications meeting be able to hear and be heard by each of the other Board Members present. At the commencement of the meeting, each Board Member must announce his/her presence to all other Board Members taking part in the meeting. A Board Member must not leave a telecommunications meeting by disconnecting his/her telephone, audio-visual or other communication equipment, unless that Board Member has previously notified the Chairperson of the meeting.
- 3.4.4 A proposed resolution in writing and given to all Board Members in accordance with proceedings determined by the Board will be a valid decision of the Board where a majority of Board Members vote in favour of the resolution by signing and returning the resolution to the Executive Officer or otherwise giving written notice of their consent and setting out the terms of the resolution to the Executive Officer. The resolution shall thereupon be as valid and effectual as if it had been passed at a meeting of the Board duly convened and held.
- 3.4.5 Meetings of the Board will be open to the public unless the Board resolves to consider a matter in confidence in accordance with the provisions of Chapter 6, Part 3 of the Act. Where an order is made under this Clause, a note must be made in the minutes of the making of the order and of the grounds on which it was made.
- 3.4.6 Where the Board has considered any information or a matter in confidence under Clause 3.4.5 it may subsequently resolve to keep minutes and/or documents considered during that part of the meeting confidential in accordance with section 91 of the Act.
- 3.4.7 All matters for decision at a meeting of the Board will be decided by a simple majority of the Members present and entitled to vote on the matter. All Members including the Chairperson present and entitled to vote on the matter are required to cast a vote. All Members including the Chairperson are entitled only to a deliberative vote.

- 3.4.8 In the case of an equality of votes, the Chairperson does not have a casting vote and the matter is deemed to have elapsed.
- 3.4.9 Ordinary meetings of the Board will be held at such time and such place as the Board decides subject only to the requirement that (disregarding the annual general meeting) there will be at least one ordinary meeting of the Board in every four months.
- 3.4.10 Special meetings of the Board may be held at any time and may be called at the request of the Chairperson or the written request of at least three Members of the Board. A request for a special meeting must be accompanied by the proposed agenda for the meeting or the request will be of no effect.
- 3.4.11 Notice of all meetings will be given in accordance with the requirements applicable to a Council meeting under the Act, which apply to the Board as if it were a Council.
- 3.4.12 The Executive Officer must cause minutes to be kept of the proceedings at every meeting of the Board and ensure that the minutes are presented to the next ordinary meeting of the Board for confirmation and adoption. Where the Executive Officer is excluded from attendance at a meeting of the Board pursuant to Clause 3.4.5, the person presiding at the meeting shall cause the minutes to be kept.
- 3.4.13 All Members must keep confidential all documents and any information provided to them for their consideration prior to a meeting of the Board.

3.5 Propriety of Members of the Board

- 3.5.1 All provisions governing propriety of Members of a Council and public officers under the law of South Australia will be applicable to Board Members.
- 3.5.2 The provisions regarding conflict of interest prescribed in the Act apply to all Board Members as if they were elected Members of a Council.
- 3.5.3 The Board Members will at all times act in accordance with their duties of confidence and confidentiality and individual fiduciary duties, including honesty and the exercise of reasonable care and diligence with respect to the performance and discharge of official functions and duties as required by Part 4, Division 1, Chapter 5 of the Act and Clause 23 of Schedule 2, Part 2 of the Act.

3.6 Committees

- 3.6.1 The Board may from time to time as it sees fit establish committees for the purposes of assisting it in the performance of its functions. A committee established by the Board under this provision may be comprised of such persons that the Board determines.
- 3.6.2 Every committee shall operate in accordance with the general procedure applicable to the Board itself subject to any variation prescribed by the Board in establishing the committee.

3.7 Annual General Meeting

- 3.7.1 An annual general meeting of the Board shall be held prior to 30 June in each year at a place and time determined by a resolution of the Board.
- 3.7.2 The annual general meeting shall conduct business of a general nature aimed at reviewing the progress and direction of the Authority and shall include the following:
 - 3.7.2.1 Chairperson's report;
 - 3.7.2.2 election of the Chairperson until the next annual general meeting; and
 - 3.7.2.3 adoption of the annual budget for the ensuing financial year.

4. BUDGETS AND CONTRIBUTIONS

4.1 Annual Budget

- 4.1.1 The Authority shall, prepare and after 31 May of each year adopt an annual budget for the ensuing financial year in accordance with the Act.

4.1.2 The Authority must provide a copy of its annual budget to the Chief Executive Officer of each Constituent Council within five business days after adoption.

4.1.3 Reports summarising the financial position and performance of the Authority shall be prepared and presented to the Board at each ordinary meeting and copies provided to the Chief Executive Officer of each Constituent Council.

4.1.4 The Authority will reconsider the budget at least three times at intervals of not less than three months between 30 September and 31 May in the relevant financial year.

(See Clause 25, Part 2, Schedule 2 to the Act for the contents of the budget)

4.2 **Financial Contributions**

4.2.1 The Board will determine annually and will include within the budget submitted to the Constituent Councils for approval the funds required to enable the Authority to operate and to fulfil its objects and purposes.

4.2.2 The accounting and audit requirements of the Act and the Local Government (Financial Management) Regulations 1999, will apply to the Authority.

4.3 **Administration Contributions**

4.3.1 The Board will determine annually and will include within the budget submitted to the Constituent Councils for approval the administrative funds required by the Authority to enable it to function ('administration costs').

4.3.2 Each of the Constituent Councils will contribute equally to the administration costs required by the Authority as set out in the approved budget.

4.3.3 The annual administration costs will be paid by each Constituent Council in advance by monthly instalments.

4.3.4 The Board may during any Financial Year for purposes of genuine emergency or hardship determine that additional administration costs are required for the continuing function of the Authority.

4.3.5 Any additional administration costs will be paid in equal proportions by each Constituent Council in the manner and at the time determined by the Board.

4.4 **Operating Contributions**

4.4.1 The Board may from time to time fix all fees, charges, imposts and levies and prices payable for the collection, receipt or purchase of waste.

4.4.2 Each Constituent Council shall contribute contributions to the amount required in proportion to that Council's current annual asset percentage at the date the income requirement is approved by the Board. The Board will determine annually and will include within the budget submitted to the Constituent Councils for approval the operating contributions required by the Authority to enable it to function ('operating costs').

4.4.3 The Board may during any year for purposes of genuine emergency or hardship determine that additional operating costs contributions are required for the continuing function of the Authority.

4.4.4 Any contribution to operating costs shall be made by each Constituent Council within 60 days of notice in writing being given by the Board to the Chief Executive Officer of the Constituent Council, provided that if the Board so decides such payments may be made in advance by monthly instalments.

5. **MANAGEMENT**

5.1 **Strategic Plans**

The Authority shall:

5.1.1 prepare and adopt a ten year Strategic Plan for the conduct of its business which will identify its objectives over the period of the Plan and the principal activities that the Authority intends to undertake to achieve its objectives;

- 5.1.2 in consultation with the Constituent Councils review the Strategic Plan at any time but subject to a comprehensive review being undertaken at least once in every four years; and
- 5.1.3 submit the Strategic Plan to the Constituent Councils for their approval.

5.2 **Business Plans**

The Authority shall:

- 5.2.1 prepare a three year Business Plan linking the core business activities of the Authority to strategic, operational and organisational requirements with supporting financial projections setting out the estimates of revenue and expenditure as necessary for the period;
- 5.2.2 in consultation with the Constituent Councils review the Business Plan annually; and
- 5.2.3 submit the Business Plan to the Constituent Councils for their approval.
(See Clause 24, Part 2, Schedule 2 to the Act for the contents of the Business Plan)

5.3 **Reporting**

- 5.3.1 The Authority must submit to the Constituent Councils, by 30 September in each financial year a report on the work and operations of the Authority detailing achievement of the aims and objectives of its Business Plan and incorporating the audited Financial Statements of the Authority and any other information or reports as required by the Constituent Councils.
- 5.3.2 On or before the second Friday in September of each year the Board shall present to the Constituent Councils a balance sheet and full financial report in respect of the previous Financial Year.

6. **ADMINISTRATIVE MATTERS**

6.1 **Executive Officer and Staff**

- 6.1.1 The Board may appoint an Executive Officer and/or other staff of the Authority on terms and conditions to be determined by the Board.
- 6.1.2 The Board shall delegate responsibility for the day-to-day management of the Authority to the Executive Officer, who will ensure that sound business and human resource management practices are applied in the efficient and effective management of the operations of the Authority.
- 6.1.3 The Executive Officer will be responsible to the Board:
 - 6.1.3.1 for the implementation of its decisions in a timely and efficient manner;
 - 6.1.3.2 to carry out such duties as the Board may direct;
 - 6.1.3.3 attending at all meetings of the Board unless excluded by resolution of the Board;
 - 6.1.3.4 providing information to assist the Board to assess the Authority's performance against its Strategic and Business Plans;
 - 6.1.3.5 appointing, managing, suspending and dismissing all other employees of the Authority;
 - 6.1.3.6 determining the conditions of employment of all other employees of the Authority, within budgetary constraints set by the Board;
 - 6.1.3.7 providing advice and reports to the Board on the exercise and performance of its powers and functions under this Charter or any Act;
 - 6.1.3.8 ensuring that the assets and resources of the Authority are properly managed and maintained;
 - 6.1.3.9 ensuring that records required under the Act or any other legislation are properly kept and maintained;

- 6.1.3.10 exercising, performing or discharging other powers, functions or duties conferred on the Executive Officer by or under the Act or any other Act or this Charter, and performing other functions lawfully directed by the Board;
- 6.1.3.11 achieving financial and other outcomes in accordance with adopted plans and budgets of the Authority; and
- 6.1.3.12 for the efficient and effective management of the operations and affairs of the Authority.
- 6.1.4 In the absence of the Executive Officer for any period exceeding three weeks the Executive Officer can after consultation with the Board appoint a suitable person to act in the position of Executive Officer.
- 6.1.5 The Executive Officer may delegate or sub-delegate to an employee of the Authority or a committee comprising employees of the Authority, any power or function vested in the Executive Officer. Such delegation or sub-delegation may be subject to any conditions or limitations as determined by the Executive Officer.
- 6.1.6 Where a power or function is delegated to an employee, the employee is responsible to the Executive Officer for the efficient and effective exercise or performance of that power or function.
- 6.1.7 A written record of all delegations and sub-delegations must be kept by the Executive Officer at all times.
- 6.2 **Auditor and Other Professionals**
 - 6.2.1 The Board must annually appoint an Auditor in accordance with the Local Government (Financial Management) Regulations 1999.
 - 6.2.2 The Board may engage professional consultants and it may authorise the Executive Officer to so engage professional consultants to provide services to the Authority to ensure the proper execution of its decisions, the efficient and effective management of the operations and affairs of the Authority, and forgoing effect to the general management objectives and principals of personnel management prescribed by the Charter.
 - 6.2.3 The Authority is exempt from establishing an audit committee as required by Clause 30, Schedule 2 of the Act.
- 6.3 **Common Seal**
 - 6.3.1 There will be a common seal of the Authority which may be affixed to documents and must be attested by the Chairperson and the Executive Officer of the Authority.
 - 6.3.2 The common seal must not be affixed to a document except to give effect to a resolution of the Board. The Executive Officer will maintain a register which records the resolutions of the Board giving authority to affix the common seal and details of the documents to which the common seal has been affixed with the particulars of the persons who attested the fixing of the seal and the date thereof.

7. FINANCE

7.1 Banking

- 7.1.1 The Board will establish and maintain a bank account with such banking facilities and at a bank to be determined by the Board. The Board will appoint no less than two Board Members as jointly authorised operators of the bank accounts at any one time.
- 7.1.2 All payments must be authorised by resolution of the Board or at least two persons delegated by a resolution of the Board.
- 7.1.3 The Executive Officer must act prudently in the handling of all financial transactions for the Board and must provide quarterly financial and corporate reports to the Board, and the Constituent Councils.

7.2 Schedule of Net Assets

- 7.2.1 The Board will at the end of every Financial Year prepare a schedule of assets and liabilities. In addition it will maintain a record to be known as the ‘Schedule of Constituent Councils Interest in Net Assets’.
- 7.2.2 The ‘Schedule of Constituent Councils Interest in Net Assets’ will reflect the proportionate contribution each Constituent Council has made to the growth of the net assets of the Authority having regard to the proportion of contributions to the Authority’s assets in proportion to each Constituent Council’s asset percentage and subscriptions. The Schedule when updated at the end of each Financial Year will reflect the proportionate contribution of each Constituent Council since the commencement of the Authority and once accepted by the Board will be evidence of the agreed proportion of a Constituent Council’s interest in the net asset percentage as at 30 June in that year. The Constituent Councils agree to be bound by the annual decision of the Board on this issue.

8. MISCELLANEOUS MATTERS

8.1 Alteration to Charter

- 8.1.1 Subject to the Act, this Charter may be amended at the request of a Constituent Council, a Board Member, or on the recommendation of the Executive Officer by the giving of not less than two month’s notice of the proposed changes to the Constituent Councils and the Board.
- 8.1.2 Before the Constituent Councils vote on a proposal to alter the Charter they must take into account the recommendations of the Board.
- 8.1.3 This Charter can only be altered with the agreement of all of the Constituent Councils.

8.2 Withdrawal of a Constituent Council

- 8.2.1 Subject to Ministerial consent, a Constituent Council may withdraw from the Authority by giving not less than six months notice of its intention to do so to the Board and to the Executive Officer.
- 8.2.2 In any event, a withdrawal cannot become effective until 30 June following the expiry of the six months notice period. Until withdrawal becomes effective the Constituent Council proposing withdrawal from the Authority will remain liable for all financial contributions in the remaining period and through its Board Members and deputy Board Members retains responsibility of ensuring the continued proper conduct of the affairs of the Authority during that time.
- 8.2.3 Upon withdrawal taking effect and subject to Clause 8.2.4 a Constituent Council will be entitled at the discretion of the Board to be paid not more than 20% of the Constituent Council’s interest in the net asset percentage of the Authority as determined and agreed in accordance with Clause 7.2.2. The withdrawing Constituent Council will be entitled to receive that sum by quarterly instalments to be paid over a period of two years with the first instalment being due on the 1st day of January following the actual date of withdrawal.
- 8.2.4 A Constituent Council will not be entitled to be paid any amount in respect of any reserve fund established under Clause 1.5.5 of this Charter.
- 8.2.5 The withdrawal of any Constituent Council does not extinguish the liability of that Constituent Council for the payment of its contribution towards any actual or contingent deficiency in the net assets of the Authority at the end of the Financial Year in which such withdrawal occurs.
- 8.2.6 The withdrawal of any Constituent Council does not extinguish the liability of that Constituent Council to contribute to any loss or liability incurred by the Authority at any time before or after such withdrawal in respect of any act or omission by the Authority prior to such withdrawal.

8.3 Addition of New Member

Subject to the provisions of the Act and in particular Ministerial approval to the admission of a new Constituent Council or Councils, this Charter may be amended by agreement of all of the Constituent Councils to provide for the admission of a new Constituent Council or Councils.

8.4 **Winding Up**

- 8.4.1 Subject to the Act, the Authority may be wound up by the Constituent Councils.
- 8.4.2 In the event of there being net assets upon dissolution and after realisation of all assets and meeting all liabilities, the net assets will be distributed to the then Constituent Councils on the basis of their current interest in the net assets of the Authority as agreed in accordance with Rule 7.2.2.
- 8.4.3 In the event of there being any unfunded liabilities of the Authority at the time of a winding up or otherwise the Constituent Councils acting in accordance with their obligations under the statutory guarantee will be responsible to meet those liabilities on the basis of their current interest in the net assets of the Authority as agreed in accordance with Rule 7.2.2.

8.5 **Insurance and Superannuation Requirements**

- 8.5.1 The Authority shall register with the Local Government Mutual Liability Scheme and the Local Government Workers Compensation Scheme and comply with the Rules of those Schemes.
- 8.5.2 The Authority shall advise the Local Government Risk Management Services of its insurance requirements relating to Local Government Special Risks including buildings, structures, vehicles and equipment under the management, care and control of the Authority.
- 8.5.3 The Authority shall register with the Local Government Superannuation Scheme and comply with the Rules of the Scheme (where applicable).

8.6 **Non-Derogation and Direction by Constituent Councils**

- 8.6.1 The establishment of the Authority does not derogate from the power of any of the Constituent Councils to act independently in relation to a matter within the jurisdiction of the Authority.
- 8.6.2 Provided that the Constituent Councils have all first agreed as to the action to be taken, the Constituent Councils may direct and control the Authority.
- 8.6.3 For the purpose of subclause 8.6.2, any direction given by the Constituent Councils must be given in writing to the Executive Officer of the Authority.

8.7 **Review of Charter**

- 8.7.1 This Charter will be reviewed by the Constituent Councils acting in concurrence at least once in every three years.
- 8.7.2 This Charter may be amended by a resolution passed by each of the Constituent Councils.
- 8.7.3 The Executive Officer must ensure that the amended Charter is published in the *Gazette* and a copy of the amended Charter provided to the Minister.
- 8.7.4 Before the Constituent Councils vote on a proposal to alter this Charter they must take into account any recommendation of the Board.

8.8 **Disputes Between Constituent Councils**

- 8.8.1 The Constituent Councils agree to work together in good faith to resolve any matter requiring their direction or resolution.
- 8.8.2 Where the Constituent Councils are unable to resolve a matter within 21 days of the matter being presented to them, the matter will be referred for arbitration by the President (or his/her nominee) of the Institute of Arbitrations and Mediators Australia.
- 8.8.3 Notwithstanding subclause 8.8.2 the Constituent Councils agree to be bound by the decision of the Arbitrator (except in relation to any decision relating to the acquisition or disposal of any real property) and will endeavour to work together in good faith in the implementation of that decision.
- 8.8.4 The costs of arbitration shall be borne equally by the Constituent Councils.

8.9 Circumstances Not Provided For

8.9.1 If any circumstance arises about which this Charter is silent, incapable of taking effect or being implemented according to its strict provisions, the Chairperson may decide the action to be taken to ensure achievement of the objects and purposes of the Authority and its effective administration.

8.9.2 The Chairperson shall report any such decision at the next ordinary meeting of the Authority.

Appendix 2

Hook Lift Truck Tender Analysis

7 CONFIDENTIAL REPORTS

7.1 Hooklift Truck Tender Analysis

REPORT TITLE: HOOKLIFT TRUCK TENDER ANALYSIS

DATE OF MEETING: 22 FEBRUARY 2018

AUTHOR: ACTING EXECUTIVE OFFICER

ATTACHMENTS: ATTACHMENT 1 – Hooklift Truck Assessment Sheet

Adelaide Hills Region Waste Management Authority Charter & Local Government Act

As per the Charter the Authority facilitates and co-ordinates waste management on behalf of member Councils, including collection, treatment, disposal and recycling within the Region. In order to assist Member Councils in transporting waste and recyclables, particularly from transfer station sites, the Authority owns and operates a hooklift truck.

The following clauses of the Charter specifies how the Authority may make purchases and finance activities;

- 1.5.1 to acquire, deal with and dispose of real and personal property (wherever situated) and rights in relation to real and personal property provided that it shall be a condition precedent that any such transaction may not incur a singular or a total liability of \$250,000 or more without the prior approval of all of the Constituent Councils;

Purpose:

Tenders were called for the supply of a new hooklift truck for the Authority's waste transport operations. This report details the tenders received, the assessment process, and the recommendation of a suitable replacement truck.

Summary – Key Issues:

1. The hooklift truck currently in use is aging, resulting in increased maintenance costs and now requires replacement.
2. The 17/18 budget includes an allocation for a new hooklift truck and a review has been undertaken assessing the benefit of owning and operating a hooklift truck and continuing this service for Member Councils.
3. A Tender process was commenced and this report details the outcome of that process seeking Board endorsement to award the Tender subject to Member Council approval.

Recommendation:

That:-

Pursuant to Section 90(3)(k)

1. Pursuant to Section 90(2) of the Local Government Act 1999 the Authority Board orders that all members of the public except (Leah Maxwell, Acting Executive Officer & Erin Gillespie, Administration Officer) be excluded from attendance at the meeting for Agenda Item 7.1 Hooklift Truck Tender Analysis.

The Authority is satisfied that pursuant to Section 90(3)(k) of the Act, the information to be received, discussed or considered in relation to this Agenda item are tenders for the provision of:

- Supply of goods,

The Authority Board is satisfied that the principle that the meeting be conducted in a place open to the public has been outweighed in the circumstances because the information to be disclosed and discussed has the potential to impact adversely on each of the tenderers as competitive commercial information will be disclosed.

2. Subject to approval from Constituent Councils to purchase a plant item greater than \$250,000 in value, the Adelaide Hills Region Waste Management Authority accepts the tender from Scania Australia LTD 218-234 Cormack Road, Wingfield SA, for the supply and delivery of a new Hooklift Vehicle for a total cost of \$303,085.45 exc. GST (plus on-roads of \$7,164 Stamp Duty & registration) and trade in of the Iveco 2004 model at a value of \$26,000 exc. GST

Background:

1. On 7th December the Authority considered a report regarding the replacement of the Hooklift vehicle, and resolved;
 1. That the report be received and the Board Endorse a tender and purchase process for a hooklift truck.
 2. The Acting Executive Officer commence a process to purchase a hooklift truck and reports be presented to Member Councils to gain approval for this purchase, if the purchase price exceeds \$250,000.
2. The tender process has been undertaken and eight responses were received and assessed.

Discussion:

1. Tenders were called on 17th January 2018.
2. The tender evaluation panel determined the criteria and weightings in order of importance by which the tenders would be evaluated, as follows:
 - After Sales Service 5%
 - Value Add 5%
 - Referees 5%
 - Delivery 5%
 - OHS 10%
 - Warranty 10%

- Suitability 15%
- Tender Price 45%

3. The following tenders were received from eight suppliers. Prices are exclusive of GST and have also been adjusted to include additional benefits and trade in.

Company	Model	Hook Specs	Year	Truck Specs	Delivery Period	Warranty	Other Value Add	Total Cost (Exc. GST) including Trade in and additional benefits
A	Tatra Pheonix	TAM T20SN	2018	455 hp	26 weeks	12 months		\$ 367,340
B	Iveco Stralis	Hyva 20-62 S	2018	450 hp	n/a	2 years, 500000 km, 6000 hrs		\$ 380,397
C	Iveco Stralis	Hyva/Papas	2018	500 hp	8-10 weeks	2 Years, 500000 km, 6000 hrs	\$20000 trade-in	\$ 284,768
D	Volvo FMX13	H/M, XR22Z.5	2018	460 hp	n/a	1 year, 600000 km, 6250 hrs	no trade-in	\$ 320,600
E	DAF CF85	H/M XR22Z.5	2018	510 hp	8 weeks	3 years, 750000 km	\$30000 trade-in	\$ 259,966
Scania Australia	Scania G440	Hyva 20-62 S	2018	440 hp	6 weeks	1 year, 500000 km, 6000 hrs. 3 years on driveline 800000	3 yerars up to 450000km free servicing, \$28600 trade-in	\$ 268,904
G	Mack Granite	Papas 22/59	2018	435 hp	n/a	1 year, unlimited km, 12500	no trade-in	\$ 296,689
H	Isuzu FYJ 300-350	Hyva/Papas	2018	350 hp	n/a	3 years, 250000 km, 4000hrs	\$20000 trade-in	\$ 259,862

4. Tenders were assessed by an assessment panel consisting of three Authority staff members;
 - Leah Maxwell (Acting Executive Officer AHRWMA)
 - Ben Tume (Operations Supervisor AHRWMA)
 - Tracey Chopping (Office Administrator)
5. The completed tender assessment can be seen at Attachment B.
6. Part of the assessment process included contacting referees for the two highest ranked Tenders.
7. Scania G440 submitted by Scania Australia was ranked at number 1. The next highest ranked tender was the DAF CF85 submitted by CMV Trucks Sales and Service.
8. The Tender called for a minimum of 400hp based on the requirements for usage of the vehicle. North East Isuzu submitted a Tender with a 350hp vehicle and was therefore marked down on suitability.
9. The Scania received the highest average score for suitability and also received positive referee checks.
10. The Scania meets all criteria requested within the Tender Specs and has a well known history of use with positive feedback. The Scania was approximately \$9,000

more expensive than the DAF, however it is considered that the Scania will likely achieve a higher resale value. The Scania Tender has also included 3 years of servicing within their price.

11. The Scania is considered to provide a high level of product support and has proven performance in the waste management sector.

12. The Authority's 17/18 Capital Budget includes the following items (BR1):

Capital Item	Budget Amount
Landfill Compactor	\$ 720,000
Hooklift Truck	\$ 300,000
Cell 8 Base Liner Construction	\$ 505,000
Vehicle Changeover	\$ 15,000
Total Approved Budget	\$1,540,000

13. As per the Board's previous resolution (August 2017) and Member Council approvals, the purchase of the 17/18 Capital Items will be financed via a variable loan.

14. The Tendered rate, of the highest scoring tenderer falls within the specified budget of \$300,000.

15. Member Council approval will be required as the purchase price is over \$250k. Subject to Board approval the Acting EO will commence the Member Council approval process, noting the Mount Barker District Council has already approved the purchase.

Engagement:

Call for Tenders	On 17 th January 18 the Authority called for tenders, using SA Tenders and Contracts and an advertisement was completed.
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Policy:

AHRWMA Purchasing Policy.

Budget:

A capital budget item of \$300,000 has been included within the 17/18 budget for purchase of a hooklift truck.

Statutory/Legal:

The acquisition or disposal of real or personal property is defined within the AHRWMA Charter.

Staff Resource Requirements:

N/A

Environmental:

The purchase of a new vehicle will assist with reducing emissions related environmental impacts.

Social:

Reviewing services and the purchase of capital items ensures a cost-effective service provision to Member Councils resulting in benefits for Member Council residents.

Risk Assessment:

Purchasing a new hooklift truck will minimise the risk of ongoing and unknown costs and downtime, enabling a cost effective and reliable service to continue to be provided to Member Councils. The purchase of a new truck will also reduce WHS risks to the Authority in relation to running an old truck.

Asset Management:

The new truck purchase will create a new asset, which will be depreciated over 5 years. The old hooklift truck will be traded in through the tender process.

Conclusion:

It is proposed that the Authority progress with awarding the Tender to Scania Australia for the purchase of a Scania G440. This report is provided to the Board for consideration and following endorsement the Acting Executive officer will proceed with gaining approval for the purchase (over \$250k) from the Member Councils.

Section 91(7) Order

Pursuant to Section 91(7)

3. That having considered Agenda Item 7.1 Hooklift Truck Tender Analysis in confidence under 90(2) and 3(k) of the Local Government Act 1999, the Authority Board pursuant to Section 91(7) of the Act orders that the report, tender documents and all minutes (other than as detailed below) be retained in confidence until the Tender Process is complete and the contract awarded and the confidentiality of the matter be reviewed in 12 months.

This order is subject to Section 91(8)(b) of the Act which provides that details of the identity of the successful tenderer must be released once Authority has made a selection.

ATTACHMENT 1: Hooklift Truck Assessment Sheet

Evaluation		Warranty 10%	Suitability 15%	After Sales Service 5%	Value Add 5%	Referees 5%	Delivery 5%	OHS 10%	Tender Price 45%	TOTAL WEIGHTING (out of 100)	RANK
Company	Model										
Offroad Trucks	Tatra Pheonix	6	8	3	3	5	0	4	32	60.8	8
ATE Tankers	Iveco Stralis	8	9	3	3	5	3	4	31	65.7	7
T & J Trucks Australia	Iveco Stralis	8	14	3	3	5	5	4	41	83.1	3
CMV Voltruck	Volvo FMX13	6	15	4	4	5	3	4	36	77.5	6
CMV Trucks Sales & Service	DAF CF85	10	13	4	4	4	5	4	45	89.0	2
Scania Australia	Scania G440	9	14	5	5	5	5	4	43	90.5	1
South Central Trucks	Mack Granite	6	13	4	4	5	3	4	39	78.4	5
North East Isuzu	Isuzu FYJ 300-350	10	7	4	5	5	3	4	45	83.0	4

2. Adelaide Hills Region Waste Management Authority – Purchase of Hook Lift Truck – Period of Confidentiality

Subject to the CEO, or his delegate, disclosing information or any document (in whole or in part) for the purpose of implementing Council's decision(s) in this matter in the performance of the duties and responsibilities of office, Council, having considered Agenda Item 19.1 in confidence under sections 90(2) and 90(3)(d) of the *Local Government Act 1999*, resolves that an order be made under the provisions of Sections 91(7) and (9) of the *Local Government Act 1999* that the report, related attachments and the minutes of Council and the discussion and considerations of the subject matter be retained in confidence until 3 August 2018.

Pursuant to Section 91(9)(c) of the *Local Government Act 1999*, that Council delegates the power to revoke the confidentiality order either partially or in full to the Chief Executive Officer.