



DIRECTOR CORPORATE SERVICES REPORT

12th July 2005

DCS3 WATER FLEET MANAGEMENT
FILE: P6-2 MPM

SUMMARY:

Reporting on the proposed 2005 / 06 water fleet replacement program.



Replacement Program

The 2005 / 06 water fleet replacement program has been proposed with a changeover value of \$532,000. A copy of the proposed program is attached at [\(Appendix C\)](#).

The adopted 2005 / 06 Fleet Business Plan lists optimum replacement schedules. To fully implement to replacement schedule as recommended in this Business Plan would require an allocation of \$1,188,200. Obviously this amount is not within the financial capacity of the Water Fleet Reserve, and the proposed schedule allows for a more even spread over an 8 year period.

A copy of the long term Water Fleet Replacement schedule is attached at [\(Appendix D\)](#).

As stated in previous reports, fleet items that are passed over for replacement at the optimum changeover timeframes present the risk of increased maintenance and breakdown costs, which in turn contributes to decreased income, reduced capital funding and increased works program costs. [\(Appendix D\)](#) provides industry optimum replacement points for Council's fleet in column A with adjustments to replacement times reflected in the yearly changeover columns.

REPORT IMPLICATIONS:

- *Environmental*

Nil

- *Social*

Nil

- *Economic (Financial)*

Funds are available from the Water Fleet Reserve and the 2005/06 Budget to cover the proposed program of \$532,000.

- *Policy or Statutory*

There are no policy or statutory implications arising from this report.

- *Director's Review*

Nil

RECOMMENDATION:

That the 2005 / 2006 water fleet replacement program be adopted.

DCS4	REVIEW OF PRIVACY MANAGEMENT PLAN
	FILE: * PJH

SUMMARY:

To review the Council's Privacy Management Plan.



In July 2000, Council adopted its Privacy Management Plan. This was the Model Plan recommended by the Department of Local Government and the Privacy Commissioner.

While the Privacy Management Plan has been reviewed annually by the designated Privacy Contact Officer (Manager Administration) it is recommended that the Plan be also reviewed periodically by Council.

Privacy and Personal Information Protection Act

The requirement to have a Privacy Management Plan comes from the Privacy and Personal Information Protection Act (PPIPA). The Model Plan was developed by Privacy NSW, Department of Local

Government and Shires Association with the objective of having a uniform approach to the use of personal information by Councils.

This objective has generally been achieved however there has been some issues arise regarding the different interpretations across Councils about what personal information is to be made available from a Council's public registers e.g. development applications, rates record. A Privacy Code of Practice was developed to supplement each Council's Plan and this has clarified some of the issues.

A full copy of our Privacy Management Plan, including the Privacy Code of Practice, has been provided to each Councillor as a separate document with the Business Paper.

The underlying theme of the PPIP Act is to protect the personal information that is given to Council in the normal course of our business. This personal information must be used for Council business and any release of personal information for other purposes must not be done unless the person has consented to such use or Council has no reason to believe the individual would object and this other use is related to the reason Council collected the information in the first place.

Review of Privacy Management Plan

The Privacy Management Plan adopted by Council has been reviewed by Council's Privacy Contact Officer and it is felt there is no amendment required to the Plan provided it is read in conjunction with the Privacy Code of Practice for Local Government. The Privacy Code of Practice allows Councils to vary from the privacy principles in the PPIP Act in certain circumstances. The Privacy Code of Practice has therefore been added to the Privacy Management Plan document as an attachment.

The Plans purpose is to set out the procedures Council will follow in dealing with personal information so as to comply with the PPIP Act. As it was developed the Plan complies with the PPIP Act and if Council was to amend the Plan it would be required to refer it to the Privacy Commissioner for approval.

Key areas that have arisen since commencement of PPIP Act

Since the introduction of the PPIP Act and the adoption of the Privacy Management Plan a number of issues have arisen that Council should be aware of as all Councillors and Council committee members are also required to comply with the Act.

In particular, any complaints against Council for misuse of personal information must be in writing and once received Council must conduct an internal review of the complaint and inform the Privacy Commissioner. The Privacy Commissioner must have input into the review and see Council's proposed response to the complainant

before any decision is given to the complainant. Since the commencement of PPIP Act Council has received two (2) written complaints which were referred to the Privacy Commissioner. In both instances the Privacy Commissioner agreed that Council had not breached the Act, but did suggest that Council be more particular in its collecting of personal information to ensure that the persons providing the information are made aware of the way Council will use the information.

The following are other matters that have arisen since the commencement of the PPIP Act that Council should be aware of: -

- All application forms that collect personal information are required to include a privacy statement setting out what the personal information collected will be used for.
- Even though Council has public registers that must be available for inspection under section 12 of the Local Government Act e.g. development applications, land owners & addresses (rates records), it cannot allow copying of more than a single entry in these registers unless an application is completed stating why the information is required. Such requests cannot be approved unless the request complies with the information protection principles of the PPIP Act. This area of granting access and whether or not to require the application form to be completed has created some confusion amongst customer service staff and it is proposed to introduce a consistent approach by requiring that all access to personal information from Council's registers shall require the application form to be completed.
- Personal information is not to be given out over the telephone even if it is information available on a Council public register. Section 12 of the Local Government Act clearly states the information on the public registers is for "inspection". Persons not able to call in must apply in writing.
- Council is allowed to give personal information to other public sector agencies or public utilities e.g. Government departments, Police, Country Energy, Telstra provided they apply in writing. This is generally names and addresses provided from Council's rate records. The purpose they need the information must be for the proper and lawful functions of that agency.
- The personal information provided within Council's business paper agenda is deemed as public information once the paper is printed and available. The actual decision to print personal information in the agendas (e.g. names & addresses) is one that is made by the officers of Council, who must make this decision in accordance with the PPIP Act.
- The list of payments (financial warrant) previously supplied to Council was ceased, as this does not meet the requirements of

the PPIP Act. This was using personal information for a purpose other than what it was collected for.

Staff Training

When the PPIP Act commenced a selection of customer service staff undertook training provided by the LGSA in December 2000. Since that time the Privacy Contact Officer (Manager Administration) has conducted in-house workshops on the PPIP Act.

The staff of the proposed Customer First Centre will be given specific training on this prior the commencement of the Customer First Centre.

While Councillors have not undergone specific training in the PPIP Act, they need to be aware of their obligations regarding the use of personal information. Any information provided in the Business Paper other than in the confidential section, is publicly available and can be used. Any information in confidential reports or from internal Council memos or letters sent direct to Councillors by residents should not be released or used by Councillors for other purposes.

Regular notices to the public

Council includes regular notices in its Council page about its collection and use of personal information under an item called "Privacy – You and Your Council".

REPORT IMPLICATIONS:

- ***Environmental***

Nil

- ***Social***

Council's social obligation is to protect the rights of its residents in its use of their personal information. A key to this is making the people aware of how their information is used and them having the confidence in Council's stated uses of that information.

- ***Economic (Financial)***

The management of the privacy legislation has been generally a hidden cost in the staff time in training, implementing, answering enquiries and dealing with complaints. When a complaint is lodged against Council for a breach of the privacy legislation it has been a very time consuming process, particularly in having to report such complaints to the Privacy Commissioner and receive his/her input.

- **Policy or Statutory**

Council is required to comply with the Privacy and Personal Information Protection Act in its handling of personal information. Also section 12 of the Local Government list documents and registers that a Council must have publicly available so Council must comply with both Acts, which can conflict in certain areas. The need for customer service staff to receive clear training on these Acts is important.

- **Director's Review**

Nil

RECOMMENDATION:

That the information be noted and no amendments be made to Council's Privacy Management Plan.

DCS5	TENDER - WHEEL LOADER / MATERIALS HANDLER
	FILE: C15-605 MPM

SUMMARY:

Reporting on tenders received for the purchase of one (1) wheel loader / materials handler and the sale of V1673 Caterpillar 916 wheel loader.



Tenders were called for the supply of one (1) wheel loader / materials handler and the sale of (1) 916 Caterpillar wheel loader V1673.

Tenders closed at 10.00 am 28th June 2005 where;

- a) five (5) companies submitted tenders for the supply of one (1) wheel loader/materials handler and trade of V1673 and,
- b) two (2) companies submitted a tender for the sale of V1673.

<u>Company</u>	<u>Wheel Loader Manufacturer</u>
Case Equipment Sales	Case
CJD Construction Equipment	Volvo
Hitachi Construction Equipment Australia	John Deere
Komatsu	Komatsu
Westrac Pty Ltd	Caterpillar

Upon evaluation the following Wheel loaders / Materials Handlers were identified as suiting Councils requirements:

<u>Company</u>	<u>Wheel Loader Manufacturer/ Model</u>	<u>Cost (GST exc)</u>
Komatsu	Komatsu WA200-5	\$227,736.00
Hitachi Construction	John Deere 544J	\$228,273.09
CJD Construction Equip	Volvo L60E	\$238,400.00
Westrac Pty Ltd	Caterpillar 924G	\$266,100.00

Tenders were evaluated using net present value (NPV), operator evaluation, maintenance evaluation, risk, and product support. The evaluation is as follows:

<u>Maximum Points</u>	<u>100</u>	<u>40</u>	<u>15</u>	<u>15</u>	<u>15</u>	<u>15</u>
<u>Weighting (Must=100)</u>	100.00%	40.00%	15.00%	15.00%	15.00%	15.00%
	Final Ranking	Net Present Value	Operator Evaluation	Maintenance Evaluation	Risk Evaluation	Product Support
Make & Model						
John Deere 544J	100.00	40.00	15.00	15.00	15.00	15.00
Komatsu WA200-5	97.23	38.90	13.33	15.00	15.00	15.00
Volvo L60E	94.65	39.65	10.00	15.00	15.00	15.00
Cat 924G	92.75	35.25	12.50	15.00	15.00	15.00

Based on the tender assessment evaluation criteria the John Deere 544J wheel loader / materials handler is assessed as the most suited to the needs of Council.

Sale of V1673

Sale of V1673 Caterpillar 916 wheel loader was evaluated with Hitachi Construction Equipment Pty Ltd providing the highest trade in value.

<u>Company</u>	<u>Cost (GST exc)</u>
Hitachi Construction	\$43,000
Westrac Pty Ltd	\$40,000
CJD Equipment Pty Ltd	\$34,000
Komatsu	\$32,000
Gary Lee	\$25,000
Mabuks Pty Ltd	\$17,500

In conclusion, evaluations and consultation with relevant Council staff it is recommended that a John Deere 544J be purchased and V1673 be traded in with Hitachi Construction Equipment Australia.

REPORT IMPLICATIONS:

- *Environmental*

Nil

- *Social*

Nil

- *Economic (Financial)*

Adoption of the following recommendation would result in financial implications of \$185,273, which will be funded, from the 2005/2006 Fleet Replacement Program. The Fleet Replacement program provides for acquisition costs of \$185,000.

- *Policy or Statutory*

Council Policy 10.5

- *Director's Review*

Nil

RECOMMENDATION:

1. That Council accept the tender from Hitachi Construction Machinery (Australia) Pty Ltd for the purchase of a John Deere 544J Powerllel, as per Council's tender specification, at a cost of \$228,273.09 (GST excl).
2. That Council accept the tender from Hitachi Construction Machinery (Australia) Pty Ltd for the sale of V1673 Caterpillar 916 Wheel Loader at a price of \$43,000 (GST excl.).

DCS6	FLEET MANAGEMENT
FILE: P6-2	MPM

SUMMARY:

The Fleet Management Business Plan adopted by Council requires that Council be advised of Plant purchases each month.



There were no items of plant purchased for the month of June 2005.

The following items of plant have been auctioned / traded for the month of June 2005.

Plant No.	Description	Amount (GST excl)
V1043	Ford Trader 059	\$3,690
V1516	Toyota Hiace	\$2,436
	Total	\$6,126

REPORT IMPLICATIONS:

- ***Environmental***

Nil

- ***Social***

Nil

- ***Economic (Financial)***

Nil

- ***Policy or Statutory***

There are no policy or statutory implications arising from this report.

- ***Director's Review***

Nil

RECOMMENDATION:

That the information be noted.

DCS7	CABIN TENDER
	FILE: * SJR

SUMMARY:

Reporting on assessment of Tenders for the provision of three (3) luxury cabins for Crescent Head Holiday Park.



The May 2005 meeting of Council resolved:

"That Council decline to accept any of the tenders for relocatable cabins for Crescent Head Holiday Park at

this stage, and that tenders received be referred to the Caravan Park Advisory Committee."

The Caravan Park Advisory Committee at the meeting of 23 May 2005 resolved:

- "1. That Council decline to accept any of the tenders for 4 luxury cabins.
2. That Council invite fresh tenders based on the provision of 3 luxury cabins for Crescent Head Holiday Park."

A totally new approach to the tender process was undertaken whereby a preferred layout plan, which was reviewed and refined by the Manager Properties and Marketing and Council's Contract Manager, was stipulated as the key component of the tender.

Three tenders were received at closing of tenders on Tuesday, 28th June 2005. Tender prices ranged from \$88,660 per cabin to \$101,090. This variation in tender price equates to roughly 15%.

Assessment of the tenders was conducted concurrently by the Manager Properties and Marketing and Council's Contract Managers for the holiday parks.

REPORT IMPLICATIONS:

- ***Environmental***

No implications identified. The proposal aligns with the Management plan approved by Council

- ***Social***

The provision of these cabins will stimulate local employment in the construction and installation phase as well as ongoing cleaning staff for regular servicing of the cabins. The proposed cabins are of a far superior size and standard to that currently on offer and improve our service standard to clients of the Holiday Park.

- ***Economic (Financial)***

Tenders were received from:

<i>Timberline Manufactured Homes</i>	<i>\$ 88,660</i>
<i>Eastcoast Homes and Park Cabins</i>	<i>\$ 91,762</i>
<i>Lifestyle Homes and Cabins</i>	<i>\$101,090</i>

Tenders were assessed under six attributes. These six attributes were given a point score between zero and five and given a percentage weighting as follows;

- 1. Tender price*** ***Weighting 30%***

- | | |
|---|----------------------|
| 2. Warranty | Weighting 10% |
| 3. Delivery | Weighting 10% |
| 4. Quality | Weighting 20% |
| 5. Reputation/Track Record | Weighting 15% |
| 6. Enhancement of Local Business | Weighting 15% |

The point score assessment for the cabins is attached at [\(Appendix E\)](#).

The preferred tender was from Eastcoast Homes and Park Cabins.

- *Policy or Statutory*

Nil.

- *Directors Review*

Council is asked to support the recommendation.

RECOMMENDATION:

That the tender from Eastcoast Homes and Park Cabins for \$91,762 be accepted.

.....
G B Snape
DIRECTOR CORPORATE SERVICES