

SPM(11) – 21 SEPTEMBER 2021

Special Council Meeting

Minutes

Notice is hereby given that the **Special Meeting** of the **Alpine Shire Council** will be held on **21 September** commencing at **5:00pm**.

PRESENT

COUNCILLORS

Cr John Forsyth - Mayor

Cr Sarah Nicholas – Deputy Mayor

Cr Katarina Hughes

Cr Ron Janas

Cr Tony Keeble

Cr Kelli Prime

Cr Charlie Vincent

OFFICERS

William Jeremy - Acting Chief Executive Officer

Brett Jordan – Acting Director Corporate Performance

Elaine Burrridge - Acting Directors Assets

APOLOGIES

Charlie Bird - Chief Executive Officer

Agenda

1. Recording and livestreaming of Council meetings 3
2. Acknowledgement of traditional custodians, and recognition of all people 3
3. Apologies and Leave of Absence 3
4. Declarations by Councillors and Staff of conflict of interest 3
5. Presentation of reports by officers 4
 - 5.1 ACTING CHIEF EXECUTIVE OFFICER – WILLIAM JEREMY4
 - 5.1.1 Mount Beauty Airport Upgrade – Telstra Cable Relocation4

1. Recording and livestreaming of Council meetings

The Acting CEO read the following statement:

All council meetings are filmed with both video and audio being recorded.

Video is focused on a specific area however audio from the entire room is captured.

The reasoning behind recording council meetings is of course to hold us more accountable and improve transparency of council's decision making to our community.

The full meeting is being streamed live on Council's YouTube channel which is "Alpine Shire Council" and will also be available on the YouTube channel shortly after this meeting.

2. Acknowledgement of traditional custodians, and recognition of all people

The Mayor read the following statement:

The Alpine Shire Council acknowledges the Traditional Owners of the land we are now on, we pay our respect to Elders, past and present.

We also acknowledge those people who have contributed to the rich fabric of our community and strive to make wise decisions that will improve the quality of life for all.

3. Apologies and Leave of Absence

Charlie Bird, Chief Executive Officer

4. Declarations by Councillors and Staff of conflict of interest

Nil

5. Presentation of reports by officers

5.1 ACTING CHIEF EXECUTIVE OFFICER – WILLIAM JEREMY

5.1.1 Mount Beauty Airport Upgrade – Telstra Cable Relocation

INTRODUCTION

This report relates to a variation in the Contract which has been awarded to relocate an underground cable traversing the site of the Mount Beauty Airport runway extension.

Cr Janas

Cr Keeble

That Council endorses a variation to the existing Contract awarded to Telstra for the relocation of an underground cable from beneath the Mount Beauty Airport runway extension. The variation is for an amount of \$92,210.21 inclusive of GST, increasing the total value of the Contract to \$166,900.40 inclusive of GST.

Carried

BACKGROUND

The Mount Beauty Airport Upgrade involves an extension to the existing runway. An underground Telstra fibre cable traverses beneath the proposed runway extension. This cable is approximately 1.0m deep and is vulnerable to damage during construction of the runway and associated drainage according to the approved design. The risk of damaging the cable has been assessed as being high, and the financial consequences of damage to the cable would be significant.

Telstra provided a quote for \$74,690.19 incl. GST to relocate the cable to a greater depth using boring equipment, which was accepted by Council on 6 July 2021 under the CEO's delegated authority. These works are non-contestable and there is no option to seek alternative quotes. The quote included qualifications that the fee may be increased if latent conditions or rock are encountered in excess of what was anticipated.

Telstra's contractors arrived on site on 1 September 2021 to commence the works but were eventually thwarted in their attempt to undertake the boring due to rock boulders and the high water table, which was inundating the boring operations. The work was abandoned.

Council received a Variation Notice from Telstra on 3 September 2021 advising that the works could only be done by laying a new fibre cable around the airport property in a relatively shallow trench of around 600mm deep. The length of this cable is approximately 900m and will cost an extra \$92,210.21 incl. GST.

An alternative methodology proposed by Council officers has been rejected by Telstra.

ISSUES

Council has already entered into a contract with Telstra for an amount of \$74,690.19 inclusive of GST under the CEO's delegated authority. This variation increases the total contract amount to \$166,900.40 incl. GST, which is above the CEO's delegated financial authority of \$150,000 incl. GST.

POLICY IMPLICATIONS

Telstra and its authorised contractors are the only companies that are permitted to conduct works on Telstra's network and assets. This means that the work is non-contestable and there is no option for seeking alternative quotations to undertake this work.

The recommendation is in accordance with the following Strategic Objective of the Council Plan 2017-2021:

- Incredible places for our community and visitors

FINANCIAL AND RESOURCE IMPLICATIONS

Council is funding the Mount Beauty Airport Upgrade project from a budget of \$3,111,820 excl. GST, which is 50% funded under the Commonwealth Regional Airport Program (RAP) and 50% by Council. Expenditure on the relocation of the Telstra cable is an eligible cost which can be acquitted under this funding agreement. There are sufficient funds available in the project budget to approve this variation.

CONSULTATION

The design of the Mount Beauty Airport Upgrade project has been undertaken in consultation with the Project Control Group representing the Mount Beauty Airport Management Association. Additional and further consultation on specific matters has involved engaging with adjacent landowners, user groups, emergency services providers and relevant Government authorities.

CONCLUSION

The Telstra fibre cable needs to be relocated to allow the Mount Beauty Airport Upgrade project to proceed. This relocation will minimise the cable's vulnerability to damage and allow construction works to proceed unhindered. This asset is owned by Telstra and all works performed on it can only be undertaken by Telstra. The work is non-contestable, and the initial contract was entered into under the CEO's delegated authority. However, with the issue of a variation from Telstra which was initiated by latent conditions, the contract value now exceeds the CEO's delegated authority and Council's endorsement is required to proceed.

DECLARATION OF CONFLICT OF INTEREST

In accordance with section 130 of the *Local Government Act 2020*, and Chapter 7 section A6 of Council's Governance Rules, the following officers declare that they have no interests to disclose in providing this report.

- Director Assets
- Manager Asset Development
- Project Officer

ATTACHMENT(S)

Nil

There being no further business the Chairperson declared the meeting closed at 5:08p.m.

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Chairperson