

CONFIDENTIAL ITEMS 2003 – SEPTEMBER 2016

#	Date	Item Title	Confidential Order Details	Item being kept confidential - Agenda/ Attachment/ Minutes	Reason regarding retention or recommend-action to release	Resolution Regarding Action	Last Review Date	Next Review Date	Date Released
---	------	------------	----------------------------	--	---	-----------------------------	------------------	------------------	---------------

	All Information released
	Part Information released

64	20 February 2012	Monarto Quarries – Expression of Interest	<p><u>Section 90 (3) (d) and (k) Order Pursuant to Section 90(3)(d) and (k)</u></p> <p>Pursuant to Section 90(2) of the Local Government Act 1999 the Council orders that all members of the public except The Chief Executive Officer, General Manager Council Services, General Manager Corporate Services, General Manager Infrastructure and Projects and the Minutes Secretary be excluded from attendance at the meeting for Agenda Item 16.1 Monarto Quarries Expression of Interest.</p> <p>The Council is satisfied that pursuant to Section 90(3)(d) of the Act, the information to be received, discussed or considered in relation to this Agenda item are is commercial information of a confidential nature (not being a trade secret) the disclosure of which could reasonably be expected to prejudice the commercial position of the person who supplied the information.</p> <p>In addition, the disclosure of this information would, on balance, be</p>	Report, Attachments, Minutes		That having considered Agenda Item 16.1 Monarto Quarries Expression of Interest in confidence under 90(2) and 3(d) and (k) of the Local Government Act 1999, the Council pursuant to Section 91(7) of the Act orders that the Council report, attachment and all minutes (other than as detailed below) be retained in confidence until the Expressions of Interest process is concluded and that this order be reviewed every 12 months.	7 Sep 15		11 Aug 16
----	------------------	---	---	------------------------------	--	---	----------	--	-----------

CONFIDENTIAL ITEMS 2003 – SEPTEMBER 2016

#	Date	Item Title	Confidential Order Details	Item being kept confidential - Agenda/ Attachment/ Minutes	Reason regarding retention or recommend-action to release	Resolution Regarding Action	Last Review Date	Next Review Date	Date Released
			contrary to the public interest. The public interest in public access to the meeting has been balanced against the public interest in the continued non-disclosure of the information. The benefit to the public at large resulting from withholding the information outweighs the benefit to it of disclosure of the information. The Council 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 disclosure of this information may result in a competitor receiving the information to the detriment of the respondents to the Expressions of Interest invitation and the potential to impact adversely on each of the respondents as competitive commercial information would be disclosed. <u>Section 91(7) Order Pursuant to Section 91(7)</u>						

16. CONFIDENTIAL REPORTS

**16.1 REPORT TITLE: CONFIDENTIAL ITEM: MONARTO
QUARRIES – EXPRESSIONS OF INTEREST**

DATE OF MEETING: 20 FEBRUARY 2012

FILE NUMBER: 12/010118

Strategic Plan Ref:

Monarto Quarries Business Plan

Purpose:

To consider the submissions received in response to the invitation for Expressions of Interest in the purchase and/or management/operation of Monarto Quarries.

Summary – Key Issues:

- Ten submissions were received in response to the EOI invitation.
- It is recommended that council negotiate with six of the ten respondents.
- As one of the respondents is the Adelaide Hills Region Waste Management Authority (the Authority) and council is one of four constituent councils of the Authority, the process needs to be carefully managed to ensure integrity is not compromised.

Recommendation:

That Council:

Section 90 (3) (d) and (k) Order Pursuant to Section 90(3)(d) and (k)

1. Pursuant to Section 90(2) of the Local Government Act 1999 the Council orders that all members of the public except The Chief Executive Officer, General Manager Council Services, General Manager Corporate Services, General Manager Infrastructure and Projects and the Minutes Secretary be excluded from attendance at the meeting for Agenda Item 16.1 Monarto Quarries Expression of Interest.

The Council is satisfied that pursuant to Section 90(3)(d) of the Act, the information to be received, discussed or considered in relation to this Agenda item are is commercial information of a confidential nature (not being a trade secret) the disclosure of which could reasonably be expected to prejudice the commercial position of the person who supplied the information.

In addition, the disclosure of this information would, on balance, be contrary to the public interest. The public interest in public access to the meeting has been balanced against the public interest in the continued non-disclosure of the information. The benefit to the public at large resulting from withholding the information outweighs the benefit to it of disclosure of the information. The Council 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 disclosure of this information may result in a competitor receiving the information to the detriment of the respondents to the Expressions of Interest invitation and the potential to impact adversely on each of the respondents as competitive commercial information would be disclosed.

2. Endorse the six respondents recommended by TJH Management Services Pty Ltd (TJH) that council undertake negotiations with being (in no particular order):
 - Southern Waste Resourecos
 - Adelaide Resource Recovery Pty Ltd
 - Contract Mining Services Pty Ltd
 - Hunter Bros Earthmovers Pty Ltd
 - Adelaide Hills Region Waste Management Authority
 - Aquista Investments Pty Ltd and Veolia Environmental Services Pty Ltd (Integrated Waste Services)
3. Authorise the General Manager Infrastructure and Projects, Mr Hockley and Mr Bruun to undertake negotiations with the above six respondents.
4. Note that following the negotiations with the short listed respondents a further agenda item will be prepared for consideration at a council meeting.
5. Authorise the General Manager Infrastructure and Projects to advise the unsuccessful respondents to the EOI process being:
 - GR and VA McArdle Earthmoving and Truck Dismantling
 - Rock and Crete Crushing Services Pty Ltd
 - Kangarilla Earthmovers Pty Ltd
 - Mallee Earthworks Pty Ltd
6. Authorise the General Manager Infrastructure and Projects to provide a verbal update on the EOI process to the land owner the Harvey family.

Section 91(7) Order Pursuant to Section 91(7)

7. That having considered Agenda Item 16.1 Monarto Quarries Expression of Interest in confidence under 90(2) and 3(d) and (k) of the Local Government Act 1999, the Council pursuant to Section 91(7) of the Act orders that the Council report, attachment and all minutes (other than as detailed below) be retained in confidence until the Expressions of Interest process is concluded and that this order be reviewed every 12 months.
-

Background:

1. Monarto Quarries is a business unit of council.
2. The performance of Monarto Quarries has declined in recent times due to a number of factors. An operating loss of \$108,000 was recorded in 2010/11 and a loss is projected again in 2011/12.
3. It is difficult to view Monarto Quarries as being core business for council.
4. The General Manager Infrastructure and Projects is responsible for this business unit.
5. Monarto Quarries is located within the area of the Alexandrina Council, primarily on land owned by the Harvey family.
6. The General Manager Infrastructure and Projects has kept the land owner informed of the EOI process.
7. At the council meeting held on 7 November 2011 an item was considered on Monarto Quarries with information regarding the EOI process.
8. An invitation to submit Expressions of Interest (EOI) was publicly released by council on 22 November 2011 and closed on 22 December 2011 (refer attachment 1).
9. Council received ten submissions in response to the EOI invitation.
10. TJH management Services Pty Ltd (TJH) was retained by council to manage the EOI process and evaluate the submissions received.
11. The principal of TJH is Mr Trevor Hockley. He has been supported in this process by Mr Terry Bruun.
12. Mr Hockley and Mr Bruun have very good knowledge and understanding of Monarto Quarries having prepared the previous business plan which was adopted by council.
13. They are currently preparing a new business plan for Monarto Quarries.

Discussion:

14. The evaluation of the submissions as prepared by TJH is contained in attachment 2.
15. The evaluation by TJH was conducted in accordance with the criteria included in section 5 of the EOI document. TJH did not apply any weighting to the different criteria in undertaking the evaluation.
16. Some flexibility is available as the EOI document did not rigidly lock in the assessment criteria.
17. Some of the respondents have raised matters outside of the direct activity of Monarto Quarries. These matters relate to possible waste related activities that could occur. One of the respondents is the Authority.
18. The potential implications of these activities for the Authority have not yet been considered. Given council is a constituent council of the Authority this is an issue that requires very careful consideration and management to ensure that the integrity of the process is not compromised.
19. The actual submissions received can be made available on request to council members on a confidential basis.
20. TJH has recommended that council undertake negotiations with six of the ten parties that submitted to the EOI.
21. There are information gaps and matters requiring clarification arising from the submissions received.
22. It is proposed that negotiations now occur with the selected short list of respondents in accordance with the assessment criteria contained in the EOI document.
23. It is proposed that the General Manager Infrastructure and Projects and Mr Hockley and Mr Bruun be authorised to undertake these negotiations.
24. Following this process a further report would be prepared for consideration at a council meeting.

Community Engagement:

Informing only	Not applicable at this time
----------------	-----------------------------

Policy:

Not applicable.

Budget:

The budget for Monarto Quarries for 2011/12 is an operating deficit of \$72,508

Statutory/Legal:

Mellor Olsson Lawyers provided input to the preparation of the EOI document.

Staff Resource Requirements:

Council employs two full time staff at Monarto Quarries who have 'permanent' tenure.

In addition council employs a third staff member who has fixed term tenure and receives 50% reimbursement for this position from the Authority.

There is a Monarto Quarries Enterprise Agreement that was entered into in early 2005 and continues in existence.

Environmental:

Not applicable.

Social:

Not applicable.

Risk Assessment:

Monarto Quarries remains a risk to council in respect of the nature of the operations undertaken on site.

The declining financial performance presents a further risk.

Asset Management:

Assets associated with Monarto Quarries include buildings, plant and equipment and a parcel of land (lot 297).

Conclusion:

The EOI process should now proceed to the next stage of negotiating with selected respondents.

Key Contact

Brian Clancey
General Manager
Infrastructure & Projects

Sponsor of Project

Attachments

1. Invitation to submit Expressions of Interest
2. Evaluation prepared by TJH Management Services Pty Ltd

CONFIDENTIAL



District Council of Mount Barker

Invitation to Submit

Expressions of Interest

Purchase *and / or*

Manage / operate

Monarto Quarries

22 November 2011

District Council of Mount Barker

Expressions of Interest to purchase *and/or* manage/operate Monarto Quarries

District Council of Mount Barker

Invitation to submit

Expressions of Interest to

- **purchase *and/or***
- **manage/operate**

Monarto Quarries

Contents

1. Introduction	2
2. Current status of Monarto Quarries	3
3. Future context	10
4. The options	12
5. Assessment of the Expressions of Interest	13
6. Expressions of Interest requirements	14
7. Expression of Interest process	15
8. Indicative timetable	16
9. Contact person	17

Appendices

- Appendix 1 – Locality and Site Plan**
- Appendix 2 - Certificates of Title**
- Appendix 3 – Response Schedules**

District Council of Mount Barker

Expressions of Interest to purchase *and/or* manage/operate Monarto Quarries

District Council of Mount Barker

Invitation to submit Expressions of Interest to

- **purchase *and/or***
- **manage/operate**

Monarto Quarries

1. Introduction

Monarto Quarries (MQ) is located at North Bremer Road, Hartley, South Australia as represented in *Locality and Site Plan* at Appendix 1.

Calcrete is extracted from the ground, crushed to produce a range of products, and sold in a competitive market.

MQ was purchased from the then owner by the District Council of Mount Barker (Council) in 1991. At that time all current Extractive Mineral Leases (EMLs) were transferred to Council.

Council has managed and operated MQ in various forms since 1991 to the present.

A waste management facility (Hartley Landfill) has operated on a part of the MQ site since 1992. The facility is operated by the Adelaide Hills Region Waste Management Authority (See Section 2.10).

Council is now considering its options for the future ownership, management and operations of MQ, and consequently Council is seeking Expressions of Interest (EOI) from third parties.

Following receipt and consideration of the EOI submissions, a report assessing all the options for the future of MQ is to be prepared for Council consideration. Council will not be bound to accept any EOI submission, and the submission of an EOI will not give rise to any contract between the respondent and Council.

District Council of Mount Barker

Expressions of Interest to purchase *and/or* manage/operate Monarto Quarries

2. Current status of MQ

2.1 The quarry

The MQ site comprises four parcels of land as described in the Certificates of Title attached as Appendix 2.

Currently about 32% of the MQ site is subject to existing EMLs as detailed in Table 1 and represented in: *Locality and Site Plan* at Appendix 1.

Table 1: Land ownership and uses

Parcel	Ownership status	Approx area (Hectares)	Uses	Approx area occupied by EMLs (Hectares)	Approx remaining area (Hectares)
297	Council	99.6	<ul style="list-style-type: none"> Acts as a buffer zone Storage sheds (Third party) EML 6081(wholly contained) 	51.70	47.90
299	Harveys (*)	67.9	<ul style="list-style-type: none"> Office & weighbridge Hartley Landfill EML 4400 (wholly contained) EML 4401(partly contained) EML 4402 (partly contained) 	35.26	32.64
301	Harveys (*)	300.0	<ul style="list-style-type: none"> EML 4401(partly contained) EML 4402 (partly contained) EML 4403(wholly contained) EML 4404(wholly contained) EML 6328(wholly contained) 	69.1	230.9
302	Harveys (*)	167.5	<ul style="list-style-type: none"> EML 6118 (wholly contained) 	47.6	119.9
Total		635.0		203.66	431.34

(*) See section 2.9

District Council of Mount Barker

Expressions of Interest to purchase *and/or* manage/operate Monarto Quarries

Council is the mining lessee of eight current EMLs as summarised in Table 2 and represented in *Locality and Site Plan* at Appendix 1.

Table 2: Extractive Mineral Leases (EML) Summary

EML number	Area (Hectares)	Expiry date	Current status (#)
4400	10.36	8/10/2016	Occupied by office building, work sheds and weighbridge
4401	19.55	8/10/2016	Most of the area has been mined out and some of this area has been partly rehabilitated. A small area is still to be mined.
4402	18.96	8/10/2016	Landfill site
4403	20.00	8/10/2016	Most of the area has been mined out and some of this area has been partly rehabilitated. A small area is still to be mined.
4404	19.53	8/10/2016	Fully mined out and partly rehabilitated.
6081	51.70	29/08/2014	Part of the buffer zone. Sand quarrying Leased storage sheds No EML for calcrete quarrying
6118	47.60	23/07/2016	About half the area has been mined out and part of the remaining is suitable for mining.
6328	15.89		Work commenced on 1 March 2011
MC4296 (MC1)	17.24		Registered on 13 July 2011.
MC4298 (MC2)	31.6		"
MC4297 (MC3)	22.56		"
4405			Surrendered in 1983 and fully rehabilitated
4406			"
4407			"
4408			"
4409			"

(#) See section 3.4 for detail on rehabilitation commitments

Council makes two annual payments to the Department of Primary Industries and Resources (PIRSA):

(a) a royalty based on a specified rate [currently \$0.35 per tonne] of the assessed value of the product carried away ('ex mine gate');

(b) a rental based on a specified rate of \$42 per hectare for the total area covered by EMLs. PIRSA reimburses the land owner (on which there is an EML) 95% of the rental paid. For MQ, Council is reimbursed 95% of the rental paid for EML 6081 (the Council owned land) although it pays PIRSA rental on all the EMLs.

District Council of Mount Barker

Expressions of Interest to purchase *and/or* manage/operate Monarto Quarries

2.2 Management and staffing

Council employs two permanent full-time staff at MQ – an on-site supervisor to manage quarry and related operations and market the quarry products, and a plant operator. In addition Council employs a third staff member who is on a limited term tenure and also provides some services for the Adelaide Hills Region Waste Management Authority (see section 2.10).

2.3 Mobile and fixed assets

Table 3: Mobile and fixed assets [i]

Item	Written Down Value as at 30 June 2009
Plant and equipment (Mobile assets) [ii]	
Volvo L150E Loader	\$224,347
Weigh Bridge	\$8,451
Caterpillar 322B Excavator	\$25,351
Fuel Tank	\$5,544
Ford Ranger Utility	\$16,054
Buildings (Fixed assets) [iii]	
Office/ Administration Building	\$135,750
Vehicle Shed	\$70,200
Old Shed	Not valued
Chemical Shed 1	\$7,255
Chemical Shed 2	Not valued
Transformer Shed	Not valued
Workshop	\$218,600
Land	
Lot 297	\$199,200

[i] Excludes other assets such as reserves, business goodwill etc

[ii] Value as at 30 June 2009 in accordance with Council's Asset Management Policy (15 year life, no residual value, and straight line depreciation)

[iii] Independent valuation as at 30 June 2009 for a not-for-profit organisation

2.4 Operations

NBS Excavators Pty Ltd (NBS) was engaged in August 2010 to crush and screen 150,000 tonnes of calcrete to produce the various products. The contract with NBS was extended for a further six months, commencing in late October 2011. The MQ supervisor oversees the performance of the crushing contractor.

All product carting and delivery is undertaken by cartage contractors nominated by MQ. There are no specific contracts for this work and it is dealt with on day rates. Clients also have the option of arranging their own delivery.

District Council of Mount Barker

Expressions of Interest to purchase *and/or* manage/operate Monarto Quarries

Council leases a portion of Council owned Lot 297 to a private company and the 5 year lease period expires on 30 April 2014 with an option of renewal for a further five years. The lessee pays a commercial rental and has installed structures on this land for the purposes of the storage of material and equipment.

This lease can be terminated at short notice or by giving the lessee six months notice.

2.5 Financial performance

Table 4 summarises the overall performance for MQ for the past three years.

Table 4: Overall financial results for MQ

Year	Operating Revenue	Operating Expenses	Net surplus/ (Deficit)
2008/09	\$2,682,755	\$2,545,539	\$137,216
2009/10	\$2,176,432	\$2,160,170	\$16,262
2010/11	\$2,158,615	\$2,266,406	(\$107,791)

The major portion (about 60%) of the operating revenue is generated by the sales of product. Table 5 presents the total sales revenue for the past three years.

Table 5: Total sales revenue for MQ

Year	Sales revenue
2008/09	\$1,664,125
2009/10	\$1,377,683
2010/11	\$1,338,994

2.6 Sales performance

The following products are produced at the quarry:

- 20 mm Crushed Rock
- 20mm Rubble A Grade
- 20mm Rubble B Grade
- 30mm Crusher Run
- Quarry Sand
- Other

District Council of Mount Barker

Expressions of Interest to purchase *and/or* manage/operate Monarto Quarries

The production amounts are presented in Table 6.

Table 6: Production results by product for MQ

Product	2008/09	2009/10	2010/11
	Tonnes	Tonnes	Tonnes
30mm Crusher Run	73,711	68,625	77,530
20mm Rubble A Grade	85,188	53,835	40,295
20mm Crushed Rock	14,573	16,334	12,704
Quarry Sand	2,875	2,747	1,572
20mm Rubble B Grade	2,485	656	5,529
Other	8,680	45	316
Total	187,512	142,241	137,946

2.7 Customers

Local government is the major customer and accounts for about 67% of the product sold by tonnes and about 71% of sales revenue.

2.8 Potential use of bio-solids

Council is exploring opportunities for MQ to accept bio-solids (appropriately treated sewage sludge) to assist rehabilitation work. Bio-solids can make an important contribution to sustainable environmental management through the return of organic material, trace elements, moisture and nutrients to the soil.

Council has recently been given approval by the Development Assessment Commission for development consent and the Environment Protection Authority for a waste management licence in order to undertake a 12 month trial in the north-east corner of EML 4404. Discussions regarding the remaining authorisations are in progress. Subject to the progression of these and a trial successfully proceeding, Council will consider seeking full approval to accept bio-solids at MQ which would add a new revenue stream and assist the rehabilitation works.

2.9 Relationship with the land owner

Prior to 1991, the current land owner held a Pastoral Lease over land parcels 299, 301 and 302. The Lease was cancelled on 3 December 1997 and ownership of the land was transferred to the land owner who is now the registered proprietor of the land in Certificate of Title Volume 5500 Folio 460, being Sections 299, 301 & 302 in the Hundred of Freeling. (Note: Council is the owner of Section/Lot/Parcel 297)

District Council of Mount Barker

Expressions of Interest to purchase *and/or* manage/operate Monarto Quarries

The land owner granted a licence over the land for mining purposes to Ag-Nutri Products Pty. Ltd in 1973, and this was subsequently assigned to Council in 1991. In broad terms the Agreement:

- authorises Council entry onto the land;
- authorises Council to make application to mine the land;
- sets out commercial terms for financial compensation payment to the land owner.

The Agreement (Licence) is still valid and remains valid for the term of any mining lease (or renewal of any mining lease).

A 'compensation agreement' was negotiated between the land owner and Council in 1996 which specified a number of financial payments required to be paid by Council to the land owner for the period of the Agreement. In broad terms Council pays the land owner a specified amount per tonne of total products sold. The current rate per tonne is \$0.79 and the total amount paid in 2009/10 was \$108,700.

New leases for extractive minerals can only be obtained by the land owner **unless** the land owner gives written consent to another party to make application. The 1973 Agreement provides Council with the necessary authority from the land owner to apply for a new EML. The Agreement states that "the owner consents to any such (mining) lease being granted to the company and shall not take any proceedings in the Warden's Court" (clause 1)". In the case that consent has been given to another party, the landowner is consulted on applications for new EMLs. The Minister considers all submissions when ruling on the application and information contained in the submissions may influence any terms and conditions assigned to the lease. The landowner (or any other party) cannot block an application which has been made in accordance with the legislation.

2.10 Relationships with the Adelaide Hills Region Waste Management Authority

The Adelaide Hills Region Waste Management Authority (AHRWMA) has a licence from the EPA under the Environment Protection Act 1993 to operate the Hartley Landfill on part of the MQ site (part of Lot 299 and covers part of EMLs 4402 and 4400). Based on forecast levels, it is understood that the Landfill has capacity for at least 25 years.

AHRWMA is a Regional Subsidiary constituted under the Local Government Act 1999 by its member Councils - Adelaide Hills Council, Alexandrina Council, District Council of Mt Barker, and The Rural City of Murray Bridge. The AHRWMA manages the Hartley landfill as an Environment Protection Authority (EPA) compliant model regional landfill that provides a cost effective waste disposal option for member Councils and its commercial customers.

There is a formal agreement between AHRWMA and the land owner to use a portion of the MQ site for the operation of the Landfill.

District Council of Mount Barker

Expressions of Interest to purchase *and/or* manage/operate Monarto Quarries

There is an informal arrangement between AHRWMA and Council which allows AHRWMA to use the existing infrastructure such as the MQ access road and weighbridge.

No rental is paid to Council but AHRWMA contributes towards the maintenance costs of such infrastructure. In addition, a MQ officer provides administration and weighbridge functions for and on behalf of AHRWMA. As part of this arrangement, the AHRWMA funds 50% of that position.

2.11 Exploration Tenements

Three Exploration Licences are held by Terramin Australia Limited and the coverage of these licences include the area occupied by Monarto Quarries. The exploration targets are lead, zinc, silver, copper and gold. Approval of the licence holder (Terramin) is required for pegging of further mineral claims.

Terramin has previously provided such approval when requested by Council.

District Council of Mount Barker

Expressions of Interest to purchase *and/or* manage/operate Monarto Quarries

3. Future context

3.1 Future supply (quantity and quality) of raw material

An independent assessment of in-ground calcrete resources was undertaken for Council in early 2010 by Olliver Geological Services Pty Ltd. The assessment was updated in March 2011.

A summary of the findings of the report is presented in Table 7.

Table 7: Extractive Mineral Leases (EML) Summary

Land owner	EML number		Calcrete Area (ha)	Tonnes ('000)
Private	4400		nil	
	4401		4	200,000
	4402		1	50,000
	4403		1	50,000
	4404		nil	nil
	6328		15	742,000
	6118		6	280,000
		Stockpile	-	20,000
	MC4297		15	950,000
	Sub-total			2,312,000
Council	6081		51	2,360,000
	MC4296		16	600,000
	MC4298		31	1,250,000
	Sub-total			4,210,000
Total				6,522,000

The estimates provided in Table 4 are based on the professional advice of Olliver Geological Services Pty Ltd and Council is not liable for the accuracy of these estimates. Also refer to Section 7.

Prospective respondents are encouraged to make their own assessments.

District Council of Mount Barker

Expressions of Interest to purchase *and/or* manage/operate Monarto Quarries

3.2 The ability to assign Council's agreement to quarry the land to a third party

Council has the necessary authority to assign its agreement to quarry the land to a third party. Council's "1973 agreement" with the land owner states that "consent (to assign the benefits or obligations of the Agreement) shall not be unreasonably withheld" should the Council decide to take such action.

3.3 The ability to assign any current Extractive Mineral Leases (EML) to a third party

An EML states that "the Lessee will not assign (an EML) without first obtaining the written consent of the Minister".

Council will initiate this action as appropriate to the outcomes of the EOI process.

3.4 Rehabilitation liability associated with exhausted EMLs

Assuming all current and pending EMLs are mined in accordance with existing plans, a total area of about 200 hectares would require rehabilitation at closure (noting that some areas have been partly rehabilitated at this stage).

3.5 Market conditions

Prospective respondents are encouraged to conduct an independent assessment of the market conditions.

Importantly the State Government's 30 Year Plan for Greater Adelaide proposes very significant growth in this region. In addition the Minister for Urban Development and Planning has authorised a Ministerial Development Plan Amendment process under the Development Act 1993 which rezones substantial areas of land (about 1,250 hectares) in the locality for residential purposes.

Refer www.dplg.sa.gov.au/plan4adelaide/ for more detail.

These policy initiatives may generate substantial new markets over a considerable period, although Council makes no representation that this will in fact occur at all or within any particular timescale.

District Council of Mount Barker

Expressions of Interest to purchase *and/or* manage/operate Monarto Quarries

4. The options

Council is seeking EOIs from appropriate organisations on the following two primary options for the future of MQ:

(1) Purchase of the whole MQ business including Lot 297, all mobile and fixed plant at the MQ site and the assignment of all agreements and licences.

and/or

(2) Manage and operate the whole MQ business on behalf of Council.

The Council will also consider other innovative variations on the two primary options such as manage and operate with a right to purchase subsequently.

Submissions to this EOI will be treated on a “without prejudice” basis and should include as much information as possible regarding the purchase and/or operation and management of MQ to allow Council to make an assessment on whether respondents may be invited to enter into negotiations. Submissions should also address expertise, experience and financial capability.

Submissions are strongly encouraged to indicate the respondent’s intentions (on a without prejudice basis) regarding the following matters:

(1) Purchase of the whole MQ business

- An indicative price range for the purchase of the business and associated assets
- General description of how the business will be managed/operated

(2) Manage and operate the whole MQ business

- Proposed period of the contractual arrangements
- Proposed financial arrangements
- Specify any other contractual conditions/requirements
- General description of how the business will be managed/operated

District Council of Mount Barker

Expressions of Interest to purchase *and/or* manage/operate Monarto Quarries

5. Assessment of Expressions of Interest

It is important to note that Council has not a predetermined preference on the various options available at this time.

Application of the assessment criteria listed below may be varied according to the nature of the proposals offered by the interested parties.

Assessment of the EOI submissions is likely to include the following criteria:

(1) Financial return to Council

(2) Future security of the business (if the intention is to manage/operate the business)

(3) Maintaining good relationships with the key stakeholders

(4) Proven Ability to Perform

- Capability
- Relevant Experience
- Reference Contacts
- Relevant and Proven Technical Capacity.

(5) Management & Organisational Systems

- Organisational Structure
- Quality
- Occupational Health and Safety Plan
- Environmental Management.

(6) Financial Sustainability

- Company's Financial Strength.

District Council of Mount Barker
Expressions of Interest to purchase *and/or* manage/operate Monarto Quarries

6. Expression of Interest requirements

Respondents must provide the following information in their submissions:

- (1) Complete the Response Schedules and separately identify the following details:
 - Full Name of Company
 - Australian Business Number (ABN)
 - Registered Office/Business Address
 - Telephone No
 - Facsimile No
 - Contact Person
 - Email Address
 - Names and addresses of the proprietors/principals.
- (2) Clearly describe which option(s) is/are being proposed as outlined in Section 4.
- (3) Address the assessment criteria (Section 5) in sufficient detail to allow Council to fully evaluate the benefits to Council and its community, and specify any conditions required by the respondent in their submission.
- (4) Declare what the intentions are for Lot 297 (the land adjacent to the quarry owned by Council) including use and ownership.
- (5) Include any other relevant information which the Respondent believes may assist with the assessment of its EOI

The EOI shall be prominently endorsed with the words "Monarto Quarries – Expression of Interest", enclosed in a sealed envelope and must be lodged in the tender box at the Local Government Centre, 6 Dutton Road Mount Barker by 5.00 pm Thursday 22 December 2011. Council will not consider any submission lodged after this date. EOI's submitted by facsimile transmission or email will not be accepted by the Council.

Respondents must provide an original EOI plus three (3) executed copies of its EOI (one to be marked "ORIGINAL", and each other to be marked "COPY".) each of which (including copies of all supporting documentation) is to be certified by the Respondent to be a true copy of the original EOI. Any brochure or pamphlet which forms part of an EOI must be attached to both the original and each copy of the EOI.

Respondents must also provide an electronic copy of the EOI in CD Rom or DVD disc readable by Microsoft Office applications. The electronic copy must be contained in one (1) single file eg PDF.

Response Schedules (Appendix 3) are provided in 'MS Word' format to assist with the preparation of submissions.

District Council of Mount Barker

Expressions of Interest to purchase *and/or* manage/operate Monarto Quarries

7. Expression of Interest process

Council retains the right to negotiate directly with a respondent to purchase or manage/operate Monarto Quarries that may result in a contract for the purchase or manage/operate Monarto Quarries **without the need to separately tender for those services.**

Council shall not be bound to accept any Expression of Interest submission.

The submission of an Expression of Interest will not give rise to any contract between the respondent and Council.

Save for any liability arising from a breach of any condition or warranty which is implied by virtue of legislation and which cannot be excluded, Council expressly disclaims any liability to any respondent to this Expression of Interest or any other person (including liability based on any wilful or negligent act or omission) for any losses or damages arising out of or in connection with the provision of any document provided by Council or the making of any decision by Council in connection with the Expression of Interest.

Council reserves the right without notice, without explanation and for any cause whatsoever:

- a) not to proceed with this Expression of Interest for all or any part of the services;
- b) to change the terms and procedures relating to the Expression of Interest process;
- c) to terminate negotiations with any party at any time;
- d) to reject or accept (as the case may be) any Expression of Interest submission;
- e) not to enter into further discussion with a party if that party is unsuccessful in having their Expression of Interest submission considered.

Notwithstanding the above Council will use every reasonable endeavour to conduct an open and transparent process and convey all information in a fair and equitable manner to all interested parties.

Confidentiality of information provided by respondents

Respondents are asked to identify what information they consider is confidential. Council will use every reasonable endeavour to keep such information confidential after taking into account its legal obligations as set out in the Local Government Act 1999 and the Freedom of Information Act 1991.

District Council of Mount Barker
Expressions of Interest to purchase *and/or* manage/operate Monarto Quarries

8. Timetable

Council's timetable for managing the EOI process is outlined below:

- EOI document issued 22 November 2011
- Last date for enquiries 16 December 2011
- EOI closes 22 December 2011
- Submission assessment period and consideration at a Council meeting
(confidential item proposed) *Timing to be determined*

CONFIDENTIAL

District Council of Mount Barker
Expressions of Interest to purchase *and/or* manage/operate Monarto Quarries

9. Contact Person

Council recognises that respondents in preparing their submissions may wish to visit the site. Respondents are invited to contact Trevor Hockley, TJH Management Services Pty Ltd to make arrangements for a confidential site visit if required.

All enquiries should be directed to:

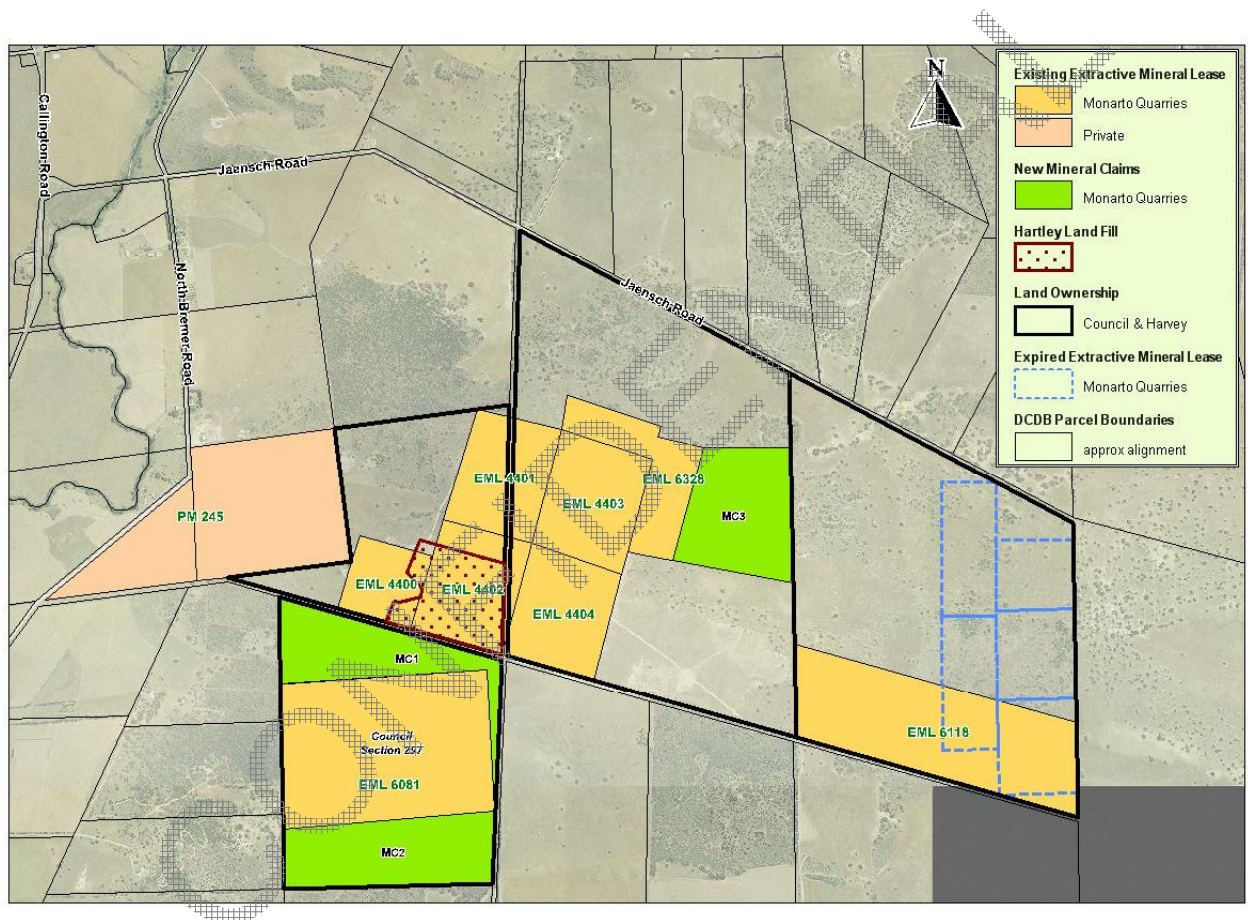
Trevor Hockley
Director
TJH Management Services Pty. Ltd.
Phone: (08) 8363 9100
Email: trevor@tjhms.com.au

CONFIDENTIAL

District Council of Mount Barker

Expressions of Interest to purchase *and/or* manage/operate Monarto Quarries**Appendix 1****Monarto Quarries Locality and Site Plan**

Note: MC1 is Registered Claim No.MC4296, MC2 is Registered Claim No.MC4298, MC3 is Registered Claim No.MC4297.



District Council of Mount Barker

Expressions of Interest to purchase *and/or* manage/operate Monarto Quarries

Appendix 2

Certificates of title



Title Register Search

LANDS TITLES OFFICE, ADELAIDE

For a Certificate of Title issued pursuant to the Real Property Act 1886

REGISTER SEARCH OF CERTIFICATE OF TITLE * VOLUME 5314 FOLIO 588 *

COST : \$18.70 (GST exempt)	PARENT TITLE : CT 918 /152
REGION : EMAIL	AUTHORITY : CONVERTED TITLE
AGENT : LGB2P BOX NO : 000	DATE OF ISSUE : 18/12/1995
SEARCHED ON : 15/06/2011 AT : 14:49:40	EDITION : 3

REGISTERED PROPRIETOR IN FEE SIMPLE

THE DISTRICT COUNCIL OF MOUNT BARKER OF PO BOX 54 MOUNT BARKER SA 5251

DESCRIPTION OF LAND

SECTION 297
HUNDRED OF FREELING
IN THE AREA NAMED HARTLEY

EASEMENTS

NIL

SCHEDULE OF ENDORSEMENTS

NIL

NOTATIONS

DOCUMENTS AFFECTING THIS TITLE

NIL

REGISTRAR-GENERAL'S NOTES

NIL

END OF TEXT.

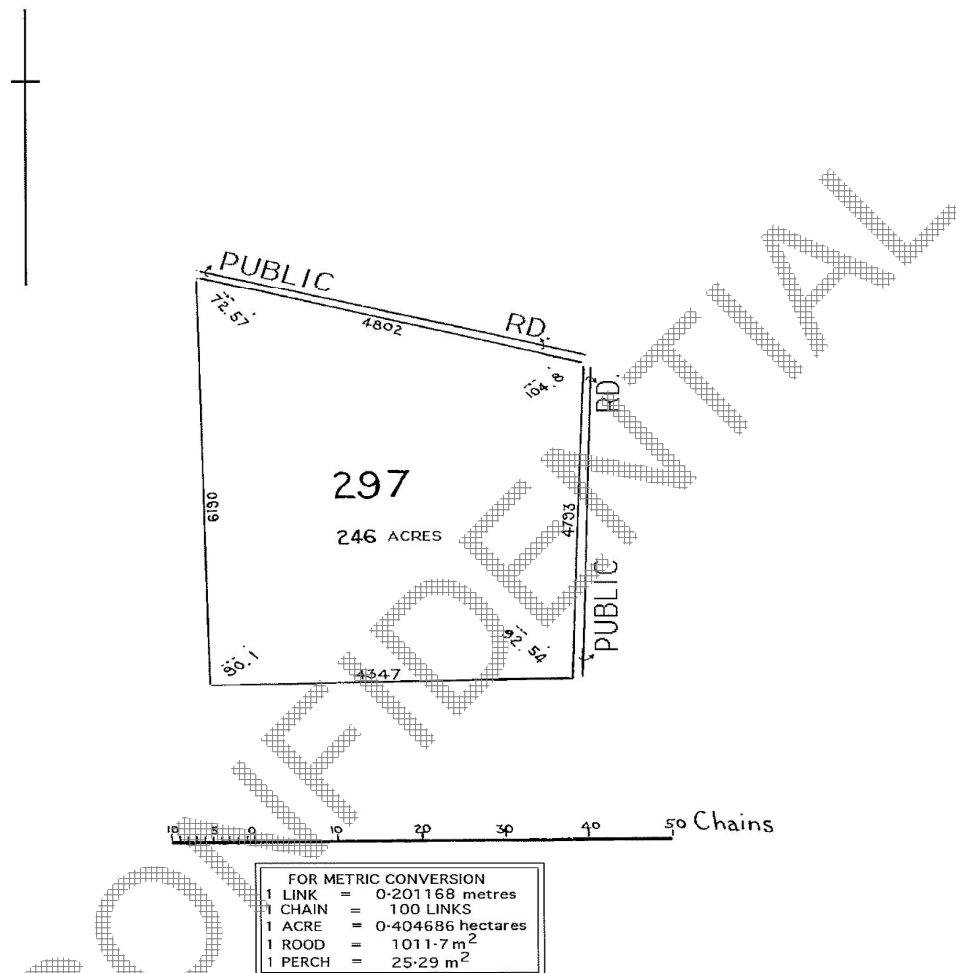
Page 1 of 2

The Registrar-General certifies that this Title Register Search displays the records maintained in the Register Book and other notations at the time of searching.

Registrar-General 

District Council of Mount Barker
Expressions of Interest to purchase *and/or* manage/operate Monarto Quarries

LANDS TITLES OFFICE ADELAIDE SOUTH AUSTRALIA
DIAGRAM FOR CERTIFICATE OF TITLE VOLUME 5314 FOLIO 588
SEARCH DATE : 15/06/2011 TIME: 14:49:40



Page 2 of 2

District Council of Mount Barker

Expressions of Interest to purchase *and/or* manage/operate Monarto Quarries

Title Register Search

LANDS TITLES OFFICE, ADELAIDE

Issued pursuant to the Real Property Act 1886 and certified overleaf

REGISTER SEARCH OF CERTIFICATE OF TITLE * VOLUME 5500 FOLIO 460 *

DST : \$13.00 (GST exempt)	PARENT TITLE : CL 639 /7
REGION : GROUND FLOOR, L.T.O.	AUTHORITY : RLG 8407339
AGENT : GRFL BOX NO : 000	DATE OF ISSUE : 06/02/1998
SEARCHED ON : 15/03/2001 AT : 13:25:07	EDITION : 1

REGISTERED PROPRIETORS IN FEE SIMPLE

ROBIN ANGAS HARVEY OF 1 UNDIVIDED 3RD PART OF HARTLEY VIA STRATHALEYN SA
5255 AND DARRELL DREW HARVEY OF 1 UNDIVIDED 3RD PART OF 30 THIELE ROAD
MURRAY BRIDGE SA 5253 AND IAN BROWNHILL HARVEY OF 1 UNDIVIDED 3RD PART OF
VAGNONI AVENUE PARADISE SA 5075

DESCRIPTION OF LAND

SECTIONS 299, 301 AND 302
HUNDRED OF FREELING
IN THE AREA NAMED HARTLEY

EASEMENTS

NIL

SCHEDULE OF ENDORSEMENTS

NIL

NOTATIONS

DOCUMENTS AFFECTING THIS TITLE

NIL

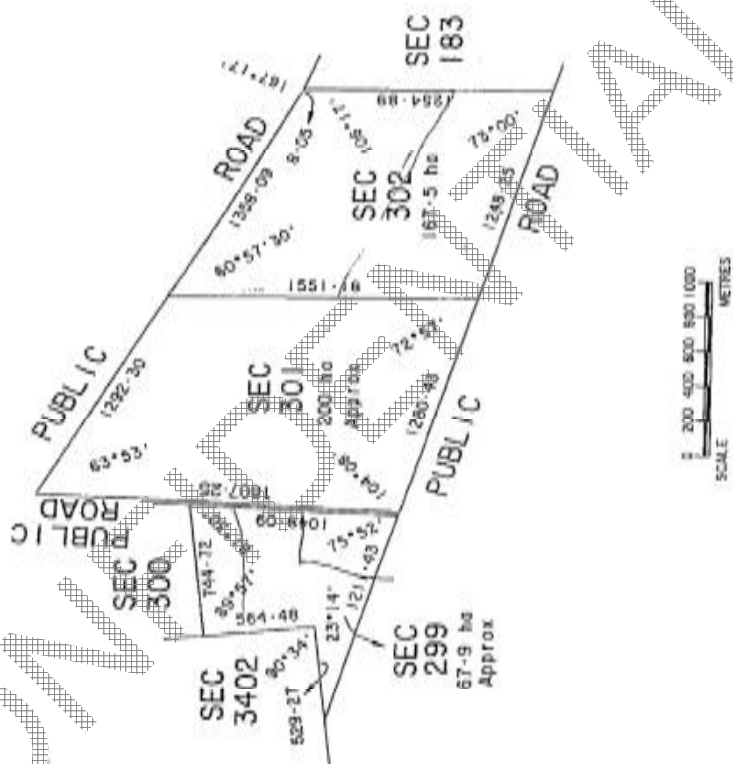
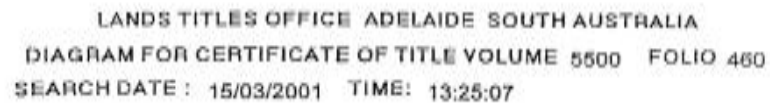
REGISTRAR-GENERAL'S NOTES

NIL

END OF TEXT. 1

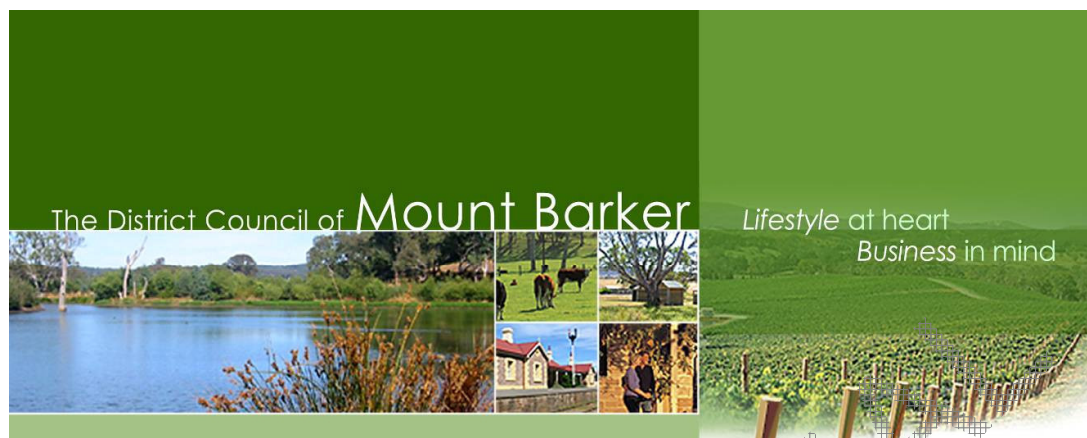
District Council of Mount Barker

Expressions of Interest to purchase *and/or* manage/operate Monarto Quarries



District Council of Mount Barker

Expressions of Interest to purchase *and/or* manage/operate Monarto Quarries

Appendix 3

Expression of Interest Number:
2010.062

Purchase and/or manage/operate
Monarto Quarries

Response Schedules

**EOIs received after the Closing Date *WILL NOT* be
considered or accepted.**

District Council of Mount Barker

Expressions of Interest to purchase *and/or* manage/operate Monarto Quarries**EXPRESSION OF INTEREST RESPONSE**

To: The Chief Executive Officer
 The District Council of Mount Barker
 PO Box 54
 MOUNT BARKER SA 5251

PLEASE COMPLETE THIS FORM IN BLOCK LETTERS

Respondent's Name:			
ABN of Respondent:		ACN of Respondent:	
Street Address:			
Postal Address: (For service of notices)			
Person Authorised to Represent the Respondent:			
Telephone No.		Fax No.	
Email Address:			
In response to EOI 2011.054 – Purchase and/or manage/operate Monarto Quarries			
The Respondent offers to supply the Services detailed in: (a) the Invitation to Submit; and (b) any addenda issued after the date of issue of the Expression of Interest as listed below, .			
Addendum No.	Addendum Date	Subject of Addendum	
_____	_____	_____	
(Insert particulars of all addenda issued by the Council) This Response is irrevocable for 90 days after the Closing Time unless extended by mutual agreement between the Respondent and the Council.			

District Council of Mount Barker

Expressions of Interest to purchase *and/or* manage/operate Monarto Quarries

This Response is dated the _____
_____ day of _____ 20

.....
Signature of Respondent.....
Name (print).....
Position in Company.....
Signature of Witness.....
Name of Witness (print)

District Council of Mount Barker

Expressions of Interest to purchase *and/or* manage/operate Monarto Quarries

The following checklist has been aligned with the requirements of this EOI and is provided to assist the Respondent with completion and submission of its EOI. Where it is necessary to provide additional information please ensure that all documents are clearly marked with the relevant attachment title to assist the evaluation panel with their assessment.

1. CLEARLY DESCRIBE WHICH OPTION(S) IS/ARE BEING PROPOSED AS OUTLINED IN SECTION 4

Insert here

CONFIDENTIAL

District Council of Mount Barker

Expressions of Interest to purchase *and/or* manage/operate Monarto Quarries

2.. ADDRESS THE ASSESSMENT CRITERIA (SECTION 5) IN SUFFICIENT DETAIL TO ALLOW COUNCIL TO FULLY EVALUATE THE BENEFITS TO COUNCIL AND ITS COMMUNITY, AND SPECIFY ANY CONDITIONS REQUIRED BY THE RESPONDENT IN THEIR SUBMISSION.

2.1 Financial return to Council

Insert here

2.2 Future security of the business (if the intention is to manage/operate the business)

Insert here

2.3 Maintaining good relationships with the key stakeholders

Insert here

2.4 Proven Ability to Perform

- Capability
- Relevant Experience
- Reference Contacts
- Relevant and Proven Technical Capacity.

Insert here

2.5 Management & Organisational Systems

- Organisational Structure
- Quality
- Occupational Health and Safety Plan
- Environmental Management.

Insert here

2.6 Financial Sustainability

- Company's Financial Strength.

Insert here

District Council of Mount Barker

Expressions of Interest to purchase *and/or* manage/operate Monarto Quarries

3. **DECLARE WHAT THE INTENTIONS ARE FOR LOT 297 (THE LAND ADJACENT TO THE QUARRY OWNED BY COUNCIL) INCLUDING USE AND OWNERSHIP.**

Insert here

CONFIDENTIAL

District Council of Mount Barker

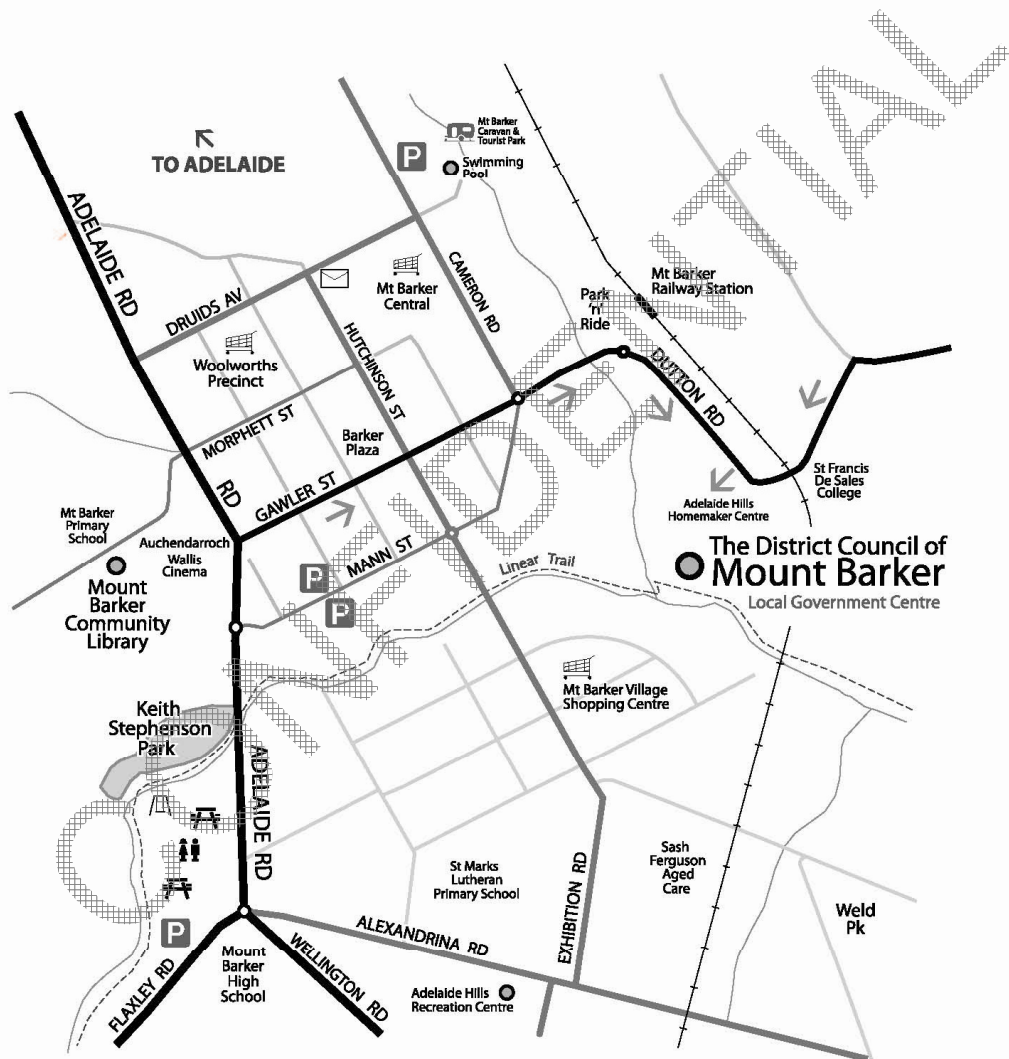
Expressions of Interest to purchase *and/or* manage/operate Monarto Quarries

- 4. INCLUDE ANY OTHER RELEVANT INFORMATION WHICH THE RESPONDENT BELIEVES MAY ASSIST WITH THE ASSESSMENT OF ITS EOI**

Insert here

CONFIDENTIAL

District Council of Mount Barker

Expressions of Interest to purchase *and/or* manage/operate Monarto Quarries**1 DIRECTIONS TO DISTRICT COUNCIL OF BARKER**

Attachment 2 to Item 16.1



21 RUNDLE STREET,
KENT TOWN SA 5067
TEL: 8363 9100
FAX: 8363 9725
MOBILE: 0419 846 498
EMAIL: trevor@tjhms.com.au
Web: www.tjhms.com.au

13 February 2012

Mr Brian Clancey
General Manager Infrastructure & Projects
District Council of Mount Barker
6 Dutton Road
MOUNT BARKER SA 5251

Dear Brian

**EVALUATION OF EXPRESSIONS OF INTEREST NO.2010.062
TO PURCHASE AND/OR MANAGE AND OPERATE MONARTO QUARRIES**

TJH Management Services Pty Ltd (TJHMS) was engaged by the District Council of Mount Barker (Council) to manage the Expression of Interest (EOI) on behalf of Council and provide an initial independent assessment of the submissions for Council.

The EOI closed on 22 December 2011 and ten submissions were received by Council. Certified copies of these submissions were provided to the offices of TJHMS on 10 January 2012. The Evaluation Team comprised Trevor Hockley from TJHMS and Terry Bruun from Sustainable Outcomes. The evaluation was conducted in the offices of TJHMS where security of the documentation was maintained and evaluation conducted in confidence.

TJHMS rents upstairs offices to Gayler Professional Engineering and Mr Michael Lorenz (Value Add Ventures). Mr Lorenz is the Executive Officer of the Adelaide Hills Region Waste Management Authority that responded to Council's EOI.

At all times TJHMS has maintained total confidentiality and independence with Mr Lorenz prior to, during and after the EOI program.

The EOI document specified the Evaluation Criteria and the Evaluation Team prepared a template in accordance with the assessment criteria in the EOI. The general nature of the EOI submissions did not allow the Evaluation Team to adopt a spreadsheet evaluation model.

A copy of all the evaluation assessments including recommendations is at Appendix 2. Appendix 1 contains two tables. Table 1 is a high level summary of the scope of each submission and Table 2 is a summary of the Evaluation Team's recommendations.

The original submissions have been retained by Council and should be available for reference when considering the Evaluation Report.

In summary the Evaluation Team has recommended further negotiations with six respondents. Three of these respondents are private operators in the waste management industry. They have experience in the processing of solid waste streams, in particular the crushing and screening of construction and demolition waste. This in itself provides the experience and opportunity to express an interest in the operation of a quarrying business. The EOI document did not refer to any waste management activity and the Evaluation Team has noted where the respondents have indicated various options to integrate the Hartley landfill operation with the Monarto Quarry business. However, it is worth bringing to Council's attention that respondents who contacted TJHMS were advised that the EOI related only to the MQ business and waste business opportunities were outside the scope of this EOI process. Care will need to be exercised by Council to ensure the commercial confidential information provided by respondents is not used in a way that compromises the probity of the EOI process.

It is important to stress that the value of these opportunities to Council was outside the scope of the EOI process and has not been considered by the Evaluation Team in its evaluation.

The Evaluation Team also noted that a submission was received by the Adelaide Hills Region Waste Management Authority (AHRWMA) and that Council is a Member of this Authority. The AHRWMA operates the Hartley landfill under a licence agreement with the landowner. Extreme care will need to be exercised by Council when progressing the EOI process by treating this submission as if it were an inhouse bid and hence applying all the appropriate probity requirements for this situation.

The Evaluation Team is available should you wish to clarify any points and would be available when Council considers this matter in confidence at its Council Meeting on Monday 20 February 2012, if required.

Yours sincerely



Trevor Hockley
DIRECTOR
TJH Management Services Pty Ltd

Encl

TABLE 1

APPENDIX 1

MONARTO QUARRIES EXPRESSION OF INTEREST

EOI Respondent	SCOPE OF EOI				RECOMMENDED TO NEGOTIATE FURTHER WITH RESPONDENT
	OPTION 1 Purchase of MQ Business	OPTION 2 Manage & Operate	OPTION TO PURCHASE	PURCHASE OF LOT 297	
Southern Waste Resourceco	✓	✓	NA	✓	✓
GR&VA McArdle Earthmoving & Truck Dismantling	✓	x	x	✓	x
Adelaide Resource Recovery Pty Ltd	✓	✓	?	✓	✓
Rock & Crete Crushing Services Pty Ltd	✓	✓	✓	✓	x
Contract Mining Services Pty Ltd	x	✓	✓	?	✓
Hunter Bros Earthmovers Pty Ltd	✓	x	x	✓	✓
Adelaide Hills Region Waste Management Authority	x	✓	x	✓	✓
Kangarilla Earthmovers Pty Ltd	x	✓	✓	x	x
Aquista Investments Pty Ltd & Veolia Environmental Services Pty Ltd. The submission subsequently refers to Integrated Waste Services (IWS) which is a joint venture company between the above parties.	x	✓	✓	?	✓
Mallee Earthworks Pty Ltd	x	✓	✓	?	x

TABLE 2

APPENDIX 1

MONARTO QUARRIES EXPRESSION OF INTEREST

EOI Respondent	Conclusion & Recommendation
Southern Waste Resourceco	The SWR submission has satisfied the criteria in the EOI document and it is recommended that Council enter into further discussions with SWR to either pursue the sale or manage and operate option.
GR&VA McArdle Earthmoving & Truck Dismantling	The McArdle submission only partially satisfies the criteria in the EOI document and it is recommended that Council not negotiate further with the respondent.
Adelaide Resource Recovery Pty Ltd	The ARR submission has satisfied the criteria in the EOI document and it is recommended that Council enter into further discussions with Adelaide Resource Recovery with Option 1, and seek clarification regarding Option 2. Council may wish to bring to the attention of the Adelaide Hills Region Waste Management Authority the opportunity to explore the option offered by Adelaide Resource Recovery which is to establish a recycling and processing operation on the MQ site to complement their existing operations of crushing, screening and recycling construction and demolition waste at Wingfield.
Rock & Crete Crushing Services Pty Ltd	The RCCS submission has satisfied the criteria in the EOI document. The purchase option is a lesser financial return to Council than other submissions. The financial return to Council for RCCS to operate the quarry is based on financial projections that would be hard to quantify and not guaranteed. It is unclear whether a cash flow loss would result in Council being required to share this loss. On this basis, the evaluation team recommends that it does not negotiate further for the purchase and manage and operate option with RCCS, however, if Council does not decide to sell or outsource the operation of Monarto Quarries, it may wish to explore the option for contract crushing with RCCS. RCCS's estimate of crushing cost is significantly less than the existing crushing contract rate with Council.
Contract Mining Services Pty Ltd	The CMS submission has satisfied the criteria in the EOI document for Option 2 and it is recommended that Council enter into further discussions with Contract Mining Services Pty Ltd.
Hunter Bros Earthmovers Pty Ltd	The HB submission satisfies most of the criteria and, given the lack of detail in the EOI, it is recommended that Council, at this stage, not pursue negotiations with HB. Depending on the outcomes of further negotiations with respondents with more detailed submissions that may determine Council's preference for a sale of the MQ business, then Council may wish to seek the actual valuation (sale amount) from Hunter Bros Earthmoving Pty Ltd regarding their offer to purchase the MQ business.

<i>EOI Respondent (contd)</i>	<i>Conclusion & Recommendation (contd)</i>
Adelaide Hills Region Waste Management Authority	The AHRWMA has offered two alternatives for the management and operation of MQ and satisfies the assessment criteria. It is recommended that Council negotiate further with the AHRWMA to explore both alternatives for the management and operation of the MQ business. Given that the District Council of Mount Barker is a Member Council of the Adelaide Hills Region Waste Management Authority the submission by the Authority must be treated as an inhouse EOI and appropriate probity arrangements put in place by Council to ensure the integrity of this EOI process.
Kangarilla Earthmovers Pty Ltd	The KE submission has not satisfied the assessment criteria and it is recommended that Council not negotiate further with Kangarilla Earthmovers Pty Ltd.
Aquiata Investments Pty Ltd & Veolia Environmental Services Pty Ltd. The submission subsequently refers to Integrated Waste Services (IWS) which is a joint venture company between the above parties. Mallee Earthworks Pty Ltd	The IWS submission has satisfied the criteria in the EOI document for Option 2 and it is recommended that Council enter into further discussions with IWS for this Option. Council may wish to bring to the attention of the Adelaide Hills Region Waste Management Authority the opportunity to explore the option offered by Integrated Waste Services which is to establish a waste recycling and transfer station on the MQ site and the management of the Adelaide Hills Region Waste Management Authority Hartley landfill operation.
	The ME submission has satisfied the assessment criteria for Option 2 but lacks considerable detail. It is recommended that Council not pursue Mallee Earthworks Pty Ltd.

APPENDIX 2**MONARTO QUARRIES****EVALUATION OF EXPRESSION OF INTERESTS*****Name of Company***

Southern Waste Resourceco (SWR)

Scope of the Expression of Interest

SWR has offered to purchase Monarto Quarries (MQ) or manage and operate MQ, based on several conditions. Please refer to the conditions stated in the accompanying letter to the EOI submission.

Brief Overview of Company Operations

SWR is a joint venture between Resourceco Ltd, South Australia's largest recycler of waste materials, and Lucas Earthmovers Pty Ltd, a leading SA provider of civil construction, contract mining, quarrying and crushing, civil engineering and waste management services.

Summary of Expression of Interest by Assessment Criteria**Assessment Criteria*****(1) Financial return to Council*****Option 1 – Purchase**

Preference to purchase MQ outright on a cash free, debt free, and working capital (debtors and creditors) free basis. The purchase would include 100% of the assets of MQ including Lot 297, all mobile and fixed plant and assignment of all contracts, leases, agreements and licences including all Extractive Mineral Licences (EML's) associated with MQ.

Employees of MQ would not to be employed by SWR and the crushing contract would be terminated.

An indicative value is given between **\$1.5 million** and **\$3 million** to be assessed after due diligence and subject to conditions in covering letter.

Option 2 – Manage and Operate MQ

The operation of MQ is offered for an initial period of five years. This would be subject to negotiating an agreement suitable to both parties based on a royalty payment on rock extracted at an indicative rate of between **50c** and **\$1** per tonne

Employees of MQ would not to be employed by SWR and the crushing contract would be terminated.

The submission does not expressly address the existing and future rehabilitation requirements. This is an issue that needs to be understood by Council should they initiate negotiations with SWR.

The evaluation team estimates that, based on quarrying, the average output over the last three years of 155,900 tonnes would net the District Council of Mount Barker ("Council") \$77,950 to \$155,900 per annum.

(2) Future security of the MQ business

A commitment is given to maintain the business and customers of MQ. This is consistent with SWR and the joint venture partners being actively involved in mining, construction and demolition waste crushing and processing and the marketing of quarry products.

(3) Maintaining good relationships with the key stakeholders

Both SWR and the joint venture partners maintain relationships with all sectors including Local Government, State Government and the private sector.

(4) Proven ability to perform

Both SWR and the joint venture partners have a demonstrated track record in the crushing and marketing of quarry products from recycled or virgin material.

(5) Management & organisational systems

SWR has clearly presented strong organisational arrangements with commitment to Occupational Health & Safety Management Systems and Environmental Management Systems.

(6) Financial sustainability

The joint venture partners have projected revenues around \$3 million for the financial year ending 2012. Additional information is available if required.

CONCLUSION AND RECOMMENDATION

The SWR submission has satisfied the criteria in the EOI document and it is recommended that Council enter into further discussions with SWR to either pursue the sale or manage and operate option.

MONARTO QUARRIES

EVALUATION OF EXPRESSION OF INTERESTS

Name of Company

GR & VA McArdle Earthmoving & Truck Dismantling (McArdle)

Scope of the Expression of Interest

McArdle has offered to purchase Monarto Quarries (MQ) only and has provided indicative prices for some items.

The EOI has been submitted by McArdle, but the submission refers solely to the son (Nathan McArdle) who is not a partner in the family business. Mr Nathan McArdle is offering to purchase the business and run it as an owner operator. Hence, the submission solely focuses on the son's work experience, mainly as an operator in the mining industry.

Brief Overview of Company Operations

The EOI provides no detail regarding the company operations. The submission provides an overview of the personal experience of Nathan McArdle, who is the son of the owner of the family business. The personal experience of Nathan McArdle does not include the owning and running of a quarry business.

Summary of Expression of Interest by Assessment Criteria**Assessment Criteria*****(1) Financial return to Council*****Option 1 – Purchase**

The submission indicates that the assets would be purchased for the written down value in the EOI document. Stock would be purchased at value and goodwill may be negotiated.

The submission indicates that the purchase of Lot 297 will be included in the purchase of the business. The submission contemplates the employment of one key employee of Monarto Quarries.

The crushing contract will be tendered and awarded to an appropriate contractor.

Option 2 – Manage and Operate MQ

This option is not offered by GR & VA McArdle Earthmoving & Truck Dismantling.

(2) Future security of the MQ business

This matter is not fully addressed in the submission and it is therefore difficult to draw a conclusion.

(3) Maintaining good relationships with the key stakeholders

A brief statement that the status quo would remain is included in the submission.

(4) Proven ability to perform

Based on the submission, there is no information provided on the running of a quarry business. The submission concentrates on the son's personal employment history, which mainly concerns operating machinery in the mining industry.

(5) Management & organisational systems

The submission provides graphics and explanations of how the business is proposed to be managed. There are no existing organisational structures or similar operations from the respondent to draw a conclusion on the ability to run the Monarto Quarries.

(6) Financial sustainability

Mr Nathan McArdle is proposing to start a new business and the submission provides no financial information on his capacity to finance the purchase of Monarto Quarries.

CONCLUSION AND RECOMMENDATION

The McArdle submission only partially satisfies the criteria in the EOI document and it is recommended that Council not negotiate further with the respondent.

MONARTO QUARRIES

EVALUATION OF EXPRESSION OF INTERESTS

Name of Company

Adelaide Resource Recovery Pty Ltd (ARR)

Scope of the Expression of Interest

The covering letter and submission implies the purchase or manage and operate MQ options; however this is not fully detailed in the document. The purchase of MQ would also include the purchase of Lot 297.

In addition to the existing quarry operation, the EOI proposes to establish a recycling and processing operation on the MQ site to complement their existing operations of crushing, screening and recycling of construction and demolition waste at Wingfield. This is outside the scope of the EOI document and has not been considered in this assessment.

Brief Overview of Company Operations

ARR is part of the Epic group of companies. ARR commenced operations in January 2005 and specialises in the crushing and screening of construction and demolition waste.

Summary of Expression of Interest by Assessment Criteria**Assessment Criteria*****(1) Financial return to Council*****Option 1 – Purchase**

ARR offers to purchase the whole of MQ business including Lot 297, all mobile and fixed plant and the assignment of all agreements and licences, however, there is no specific financial information provided.

The letter of offer indicates a willingness to negotiate financial arrangements that maximise the benefits to Council.

Option 2 – Manage and Operate MQ

The submission is unclear whether this option is expressly offered, however, there is reference to a royalty payment to Council based on annual tonnage. Again, there is no specific financial information.

There is no information provided on either option as to how the existing MQ employees will be treated and no reference to the existing crushing contract.

(2) Future security of the MQ business

A commitment is given to maintain the existing MQ business.

(3) Maintaining good relationships with the key stakeholders

ARR has business relationships with stakeholders in State and Local Government and the private sector.

(4) Proven ability to perform

ARR has extensive experience in the crushing, processing and recycling of construction and demolition waste. There is no evidence of actual hard rock quarrying experience.

(5) Management & organisational systems

ARR has the organisational structures to manage the MQ business. It has international accreditation in quality, environmental and occupational health and safety systems.

(6) Financial sustainability

The Epic group of companies has an annual turnover of \$45 million and would appear to have the financial capacity to purchase and operate the MQ business over the long term.

CONCLUSION AND RECOMMENDATION

The ARR submission has satisfied the criteria in the EOI document and it is recommended that Council enter into further discussions with Adelaide Resource Recovery with Option 1, and seek clarification regarding Option 2.

Council may wish to bring to the attention of the Adelaide Hills Region Waste Management Authority the opportunity to explore the option offered by Adelaide Resource Recovery which is to establish a recycling and processing operation on the MQ site to complement their existing operations of crushing, screening and recycling construction and demolition waste at Wingfield.

MONARTO QUARRIES

EVALUATION OF EXPRESSION OF INTERESTS

Name of Company

Rock & Crete Crushing Services Pty Ltd (RCCS)

Scope of the Expression of Interest

RCCS has offered to purchase MQ or manage and operate MQ for a 5 year period with the right to purchase the whole of the business at any time within the 5 year period.

Brief Overview of Company Operations

RCCS is a contract crushing business which provides services to the mining and civil industries in South Australia and has been operating for 12 years.

Summary of Expression of Interest by Assessment Criteria**Assessment Criteria*****(1) Financial return to Council*****Option 1 – Purchase**

The EOI proposes to purchase all mobile plant and all improvements on the land and Lot 297 for an indicative price of \$360,000 (this excludes the Ford Ranger Utility).

Option 2 – Manage and Operate MQ

RCCS is proposing to manage the quarry on the same basis as it currently operates for a fixed period of 5 years. Based on the costs currently incurred by MQ the submission sets out a cash flow analysis that would provide a shared profit of 50% to be approximately \$26,081 per annum payable to Council. The major saving to achieve this return is based on RCCS's estimate to crush product for \$7 per tonne.

The above return to Council does not include any costs associated with the acquisition of EML's, the bio-solids operation, etc. These costs would be negotiated with Council.

The EOI also proposes the option to purchase the whole of the business at anytime during the 5 year period at an assessed fair market price agreed between both parties.

(2) Future security of the MQ business

RCCS specialises in contract crushing but has no experience in the commercial operation of a quarrying business.

(3) Maintaining good relationships with the key stakeholders

The emphasis of RCCS's business is as a crushing contractor and as such has relationships with quarrying companies and mining companies. Their exposure to other stakeholders would be limited.

(4) Proven ability to perform

RCCS has good credentials for contract crushing but no evidence of successfully owning and operating a quarrying business.

(5) Management & organisational systems

The submission indicates that RCCS has typical systems for a small business.

(6) Financial sustainability

Information is provided that is based on the credit limits applying with the National Bank and the superannuation assets of the proprietor.

CONCLUSION AND RECOMMENDATION

The RCCS submission has satisfied the criteria in the EOI document. The purchase option is a lesser financial return to Council than other submissions. The financial return to Council for RCCS to operate the quarry is based on financial projections that would be hard to quantify and not guaranteed. It is unclear whether a cash flow loss would result in Council being required to share this loss. On this basis, the evaluation team recommends that it does not negotiate further for the purchase or manage and operate options with RCCS, however, if Council does not decide to sell or outsource the operation of Monarto Quarries, it may wish to explore the option for contract crushing with RCCS. RCCS's estimate of crushing cost is significantly less than the existing crushing contract rate with Council.

MONARTO QUARRIES

EVALUATION OF EXPRESSION OF INTERESTS

Name of Company

Contract Mining Services Pty Ltd (CMS)

Scope of the Expression of Interest

CMS has offered to manage and operate MQ with an option to purchase.

Brief Overview of Company Operations

CMS is part of the MSP group of companies. MSP owns and operates two existing quarries – McLaren Vales Quarries and Kulpara Mines. Experience in mining activities spans 15+ years. Production of these quarries is approximately one million tonnes per annum.

Summary of Expression of Interest by Assessment Criteria**Assessment Criteria*****(1) Financial return to Council*****Option 1 – Purchase**

Possible option to purchase MQ in the future with no detailed information regarding the purchase provided in the submission.

The future of Lot 297 would be subject to later negotiation.

Option 2 – Manage and Operate MQ

CMS is offering to pay a royalty of \$1.70 per tonne on all products sold by MQ. The submission sets out pricing for sales to Council but is silent on whether or not these sale prices include the royalty. This will need clarification in further negotiations with the respondent.

The operation and costing does not include Council assets being used and the submission indicates further investigation to determine whether or not CMS would purchase equipment.

The submission envisages the MQ operation to be supported by existing MQ personnel.

(2) Future security of the MQ business

CMS has extensive experience in operating quarries and would have the expertise and stakeholder relationships to manage the MQ business.

(3) Maintaining good relationships with the key stakeholders

CMS already operates in the quarrying industry and appears to have a good relationship with key sectors of this industry.

(4) Proven ability to perform

CMS and its holding company, MSP, have extensive ability and proven performance in operating and managing a quarry.

(5) Management & organisational systems

The submission outlines a sensible organisational structure to manage the business.

(6) Financial sustainability

MSP Group has net assets in excess of \$100 million and an annual turnover greater than \$180 million.

CONCLUSION AND RECOMMENDATION

The CMS submission has satisfied the criteria in the EOI document for Option 2 and it is recommended that Council enter into further discussions with Contract Mining Services Pty Ltd.

MONARTO QUARRIES

EVALUATION OF EXPRESSION OF INTERESTS

Name of Company

Hunter Bros Earthmovers Pty Ltd (HB)

Scope of the Expression of Interest

HB has indicated an interest to purchase the whole MQ business including Lot 297, all mobile and fixed plant at the MQ site and the assignment of all agreements and licences.

Brief Overview of Company Operations

HB is essentially an earthmoving company with extensive experience working for Local Government and private industry. It does not have actual experience in quarrying activities. The company has undertaken earthmoving contracts with the Adelaide Hills Council and the Adelaide Hills Region Waste Management Authority.

Summary of Expression of Interest by Assessment Criteria**Assessment Criteria**

(1) Financial return to Council

Option 1 – Purchase

No financial details are provided in their submission and HB suggest using accepted valuation techniques to determine the value of the MQ business.

HB would seek to employ the existing MQ site supervisor and HB have a relationship with Smith Contract Crushing who previously provided contract crushing services to MQ.

Option 2 – Manage and Operate MQ

HB have not offered this option.

(2) Future security of the MQ business

The EOI does not address this criteria.

(3) Maintaining good relationships with the key stakeholders

The HB submission clearly identifies the MQ stakeholders and suggests that they have the ability to maintain harmonious relationships with these parties. This contractor has a Letter of Support from the Adelaide Hills Region Waste Management Authority and emphasises the status quo remaining for all parties (including the landowner) if they were successful in purchasing the MQ business.

(4) Proven ability to perform

HB have indicated that they are a competent earthmoving contractor. There is limited experience in excavating calcrete or crushing this product for future sale.

(5) Management & organisational systems

The EOI highlights that HB's existing organisational structure would be suitable to manage the MQ business. The current HB business operates under an Occupational Health & Safety Plan and an Environmental Policy and Plan.

(6) Financial sustainability

HB have assets worth in excess of \$2 million and current annual turnover in excess of \$5 million.

CONCLUSION AND RECOMMENDATION

The HB submission satisfies the criteria and it is recommended that Council enter into further discussions with Hunter Bros Earthmoving Pty Ltd for the sale of the MQ business.

MONARTO QUARRIES

EVALUATION OF EXPRESSION OF INTERESTS

Name of Company

Adelaide Hills Region Waste Management Authority (AHRWMA)

Scope of the Expression of Interest

The AHRWMA has offered to manage and operate the MQ business (Option 2) and provides two alternatives for this option. Under both alternatives the EOI declares an interest in purchasing Lot 297 at an agreed market valuation.

Brief Overview of Company Operations

The AHRWMA is a Regional Subsidiary with Council being a Member Council. The AHRWMA operates the Hartley landfill under a licence agreement with the landowner and shares resources with the existing MQ business.

Summary of Expression of Interest by Assessment Criteria**Assessment Criteria**

(1) *Financial return to Council*

Option 1 – Purchase

Not offered.

Option 2 – Manage and Operate MQ

The AHRWMA has offered two alternatives under this option which will be referred to as Alternative A and Alternative B. In the submission it is referred to as "Option 1A" and "Option 1B" respectively.

Alternative A

The AHRWMA is offering to manage the existing MQ operation by agreeing a budget with Council each year that will determine the level of investment by Council and recurrent costs. Any surplus over actual costs would be paid to Council. This is the model used for the AHRWMA to manage the Brinkley transfer station on behalf of the City of Murray Bridge.

The submission indicates a return to Council in the range of \$100,000 to \$200,000, depending on the level of investment made by Council. The submission contemplates the purchase or dry hire of crushing equipment to improve the efficiencies and therefore the profitability of the MQ business.

The purchase of Lot 297 at agreed market value is included with this alternative.

No specific financial information is provided in the submission and the Council would underwrite any loss.

Alternative B

Should the Council decide to sell the MQ business or engage a third party to manage and operate the MQ business the AHRWMA would be interested to explore opportunities to work with the successful party for their mutual benefit.

The purchase of Lot 297 at agreed market value is included with this alternative.

No specific financial information is provided in the submission.

In considering all the EOI submissions Council will need to take into account the strategic significance to the AHRWMA of Lot 297 that both acts as a buffer to the existing Hartley landfill operations and provides calccrete reserves and the opportunity to extend the landfill in the future.

Council will also need to be aware that the AHRWMA submission notes the conflict and possible impact on the existing landfill operations of a new owner or operator of the MQ business that may also wish to process construction and demolition waste in conjunction with the quarrying business on the MQ site.

(2) Future security of the MQ business

Under Alternatives A and B the AHRWMA considers that the quarry operation would be secure and the submission proposes that the business would become more financially sustainable.

(3) Maintaining good relationships with the key stakeholders

The AHRWMA has a very good working relationship with all key stakeholders and it is envisaged that this would continue under the new arrangements.

(4) Proven ability to perform

The AHRWMA has demonstrated its ability to operate the landfill business and the EOI indicates that it has the ability to manage and operate the MQ business. The AHRWMA has previous provided management expertise to Council to operate the MQ business.

(5) Management & organisational systems

The submission outlines the management and organisational systems currently used for the operation of the landfill and it is envisaged that similar arrangements would be used for the MQ business.

(6) Financial sustainability

The AHRWMA is a Regional Subsidiary incorporated under the Local Government Act and has a Statutory Guarantee for all liabilities from its Member Councils. The cash reserves and assets of AHRWMA are reported to Council.

CONCLUSION AND RECOMMENDATION

The AHRWMA has offered two alternatives for the management and operation of MQ and satisfies the assessment criteria. It is recommended that Council negotiate further with the AHRWMA to explore both alternatives for the management and operation of the MQ business.

Given that the District Council of Mount Barker is a Member Council of the Adelaide Hills Region Waste Management Authority the submission by the Authority must be treated as an inhouse EOI and appropriate probity arrangements put in place by Council to ensure the integrity of this EOI process.

MONARTO QUARRIES

EVALUATION OF EXPRESSION OF INTERESTS

Name of Company

Kangarilla Earthmovers Pty Ltd (KE)

Scope of the Expression of Interest

KE has expressed an interest to manage and operate MQ with an option to purchase at a later date.

Brief Overview of Company Operations

KE is a family operated earthmoving business with some limited past experience in operating a small quarry.

Summary of Expression of Interest by Assessment Criteria**Assessment Criteria*****(1) Financial return to Council*****Option 1 – Purchase**

Not expressly offered.

Option 2 – Manage and Operate MQ

KE offered to manage and operate the MQ business with an option to buy later. There are no specific details or financial information provided.

KE would not wish to purchase Lot 297.

(2) Future security of the MQ business

The submission is silent on this criteria but offers to discuss it.

(3) Maintaining good relationships with the key stakeholders

No demonstrated experience.

(4) Proven ability to perform

Experience in earthmoving and limited past experience in quarry operations.

(5) Management & organisational systems

The owner of the business would be on site to assist in management.

(6) Financial sustainability

This is not quantified in the submission.

CONCLUSION AND RECOMMENDATION

The KE submission has not satisfied the assessment criteria and it is recommended that Council not negotiate further with Kangarilla Earthmovers Pty Ltd.

CONFIDENTIAL

MONARTO QUARRIES

EVALUATION OF EXPRESSION OF INTERESTS

Name of Company

Aquista Investments Pty Ltd & Veolia Environmental Services Pty Ltd. The submission subsequently refers to Integrated Waste Services (IWS) which is a joint venture company between the above parties.

Scope of the Expression of Interest

IWS has offered to manage and operate the whole of the MQ business with the option to purchase at a later date.

IWS also wishes to establish a waste transfer station and processing facility on the MQ site. It also offers to manage the Adelaide Hills Region Waste Management Authority landfill operation. This proposal is outside the scope of the EOI and has not been assessed by the Evaluation Team.

Brief Overview of Company Operations

IWS currently operates a transfer station at Wingfield and a balefill at Dublin. The company has extensive experience in waste management and the processing of solid waste streams. There is no specific business experience in running a hard rock quarry but IWS has experience in processing solid waste streams.

Summary of Expression of Interest by Assessment Criteria

Assessment Criteria

(1) *Financial return to Council*

Option 1 – Purchase

Not expressly offered.

Option 2 – Manage and Operate MQ

IWS seeks to manage and operate the MQ business and the submission indicates that IWS would either seek to guarantee the existing financial returns achieved by Council from the MQ business or alternatively a supply and price agreement/guarantee for the range of products. No financial details are provided.

Consideration of Lot 297 is only generally addressed in the EOI.

The EOI indicates that IWS may consider purchasing the whole of the MQ business at a later date.

(2) Future security of the MQ business

The submission suggests operating the existing business for a period of 25 years which coincidentally is estimated to be the life of the Hartley landfill.

(3) Maintaining good relationships with the key stakeholders

IWS has a long history in operating in the waste industry. This would cross over to some businesses involved in the quarrying industry.

(4) Proven ability to perform

IWS has experience in the crushing and processing of solid waste streams. There is no mention in the submission of hard rock quarrying experience.

(5) Management & organisational systems

IWS has the organisational structure and systems to manage the MQ business.

(6) Financial sustainability

IWS has an annual turnover of \$25 million and infrastructure valued at \$40 million.

CONCLUSION AND RECOMMENDATION

The IWS submission has satisfied the criteria in the EOI document for Option 2 and it is recommended that Council enter into further discussions with IWS for this Option.

Council may wish to bring to the attention of the Adelaide Hills Region Waste Management Authority the opportunity to explore the option offered by Integrated Waste Services which is to establish a waste recycling and transfer station on the MQ site and the management of the Adelaide Hills Region Waste Management Authority Hartley landfill operation.

MONARTO QUARRIES

EVALUATION OF EXPRESSION OF INTERESTS

Name of Company

Mallee Earthworks Pty Ltd (ME)

Scope of the Expression of Interest

ME has offered to lease the MQ business for a period of three years with the right of purchase during or after the three year period.

Brief Overview of Company Operations

ME is a family owned business based at Swan Hill, Victoria. It has many years of experience in the limestone industry and owns and operates three quarries (one quarry being in South Australia).

Summary of Expression of Interest by Assessment Criteria**Assessment Criteria*****(1) Financial return to Council*****Option 1 – Purchase**

Not offered in the EOI.

Option 2 – Manage and Operate MQ

ME proposes to pay an agreed monthly lease amount for the MQ site plant and machinery and purchase outright all stock on hand at time of handover. No financial details are provided.

The submission indicates that Lot 297 would be required for the calcrete reserves. It is unclear whether ME would purchase Lot 297 from the submission.

(2) Future security of the MQ business

The submission indicates that ME would provide for the future security of the MQ business.

(3) Maintaining good relationships with the key stakeholders

ME proposes that the present good relationships would be maintained.

(4) Proven ability to perform

The ME submission indicates that it successfully operates three quarries.

(5) Management & organisational systems

The ME submission includes all its documentation regarding management organisation and quality control.

(6) Financial sustainability

Annual turnover in excess of \$2 million.

CONCLUSION AND RECOMMENDATION

The ME submission has satisfied the assessment criteria for Option 2 but lacks considerable detail. It is recommended that Council not pursue Mallee Earthworks Pty Ltd.

**7.2 REPORT TITLE: DEVELOPMENT (REGULATED TREES)
VARIATION REGULATIONS 2011**
DATE OF MEETING: 13 FEBRUARY 2012
FILE NUMBER: 90/005/057

The Minister of Planning be advised:

1. Council would prefer to go back to the single definition of a significant tree rather than the dual definition of a significant and regulated tree for the purposes of simplicity and to reduce confusion.
2. That the Council is concerned with the revised definition of 'tree damaging activity' in that it doesn't clearly state that pruning up to 30% of the crown can only occur as a once off initial reduction to branches only excluding the trunk and that further maintenance is to maintain the mass of the initial reduction only.
3. That the exemption to allow the removal of trees within 10 metres of a dwelling or existing swimming pool will impact on the environment and landscape character of the Council Area. (and this will also be a non-sensical provision in DC Mount Barker due to the 20 metre exemption in operation over the whole designated area for Regulated Trees).
4. That the exemption of trees within 20 metres of a dwelling in Medium to High Bushfire Prone Areas has the potential to significantly impact on the landscape township quality in the District Council of Mt Barker area, whilst not necessarily achieving any improved bush fire safety and in some instances potentially reducing protection of dwellings in bush fire situations.

Seconded Councillor Campbell and CARRIED

QUESTIONS ARISING FROM COUNCIL MEETING

Mr Laurie Gellon regarding future Community Plan.

Mr Greg Parker, General Manager Council Services provided a response at the meeting, and took the question on notice.

Ms Fiona Challen-Millewa regarding Item 12.6 Scouts Rally.

Mr Greg Parker, General Manager Council Services took questions on notice.

74 CONFIDENTIAL REPORTS

**74.1 REPORT TITLE: CONFIDENTIAL ITEM: MONARTO
QUARRIES – EXPRESSIONS OF INTEREST**
DATE OF MEETING: 20 FEBRUARY 2012
FILE NUMBER: 12/010118



Moved Councillor Irvine that Council:

Section 90 (3) (d) and (k) Order Pursuant to Section 90(3)(d) and (k)

1. Pursuant to Section 90(2) of the Local Government Act 1999 the Council orders that all members of the public except General Manager Council Services, General Manager Corporate Services, General Manager Infrastructure and Projects and the Minute Secretary be excluded from attendance at the meeting for Agenda Item 16.1 Monarto Quarries Expression of Interest.

The Council is satisfied that pursuant to Section 90(3)(d) of the Act, the information to be received, discussed or considered in relation to this Agenda item are is commercial information of a confidential nature (not being a trade secret) the disclosure of which could reasonably be expected to prejudice the commercial position of the person who supplied the information.

In addition, the disclosure of this information would, on balance, be contrary to the public interest. The public interest in public access to the meeting has been balanced against the public interest in the continued non-disclosure of the information. The benefit to the public at large resulting from withholding the information outweighs the benefit to it of disclosure of the information. The Council 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 disclosure of this information may result in a competitor receiving the information to the detriment of the respondents to the Expressions of Interest invitation and the potential to impact adversely on each of the respondents as competitive commercial information would be disclosed.

Seconded Councillor Campbell and CARRIED

9.11pm Councillor Westwood, Councillor Stokes and Andrew Stuart, Chief Executive Officer, rose and left the Chamber.

Moved Councillor Campbell that Council:

2. Endorse the six respondents recommended by TJH Management Services Pty Ltd (TJH) that council undertake negotiations with being (in no particular order):
 - Southern Waste Resourceco
 - Adelaide Resource Recovery Pty Ltd
 - Contract Mining Services Pty Ltd
 - Hunter Bros Earthmovers Pty Ltd
 - Adelaide Hills Region Waste Management Authority
 - Aquista Investments Pty Ltd and Veolia Environmental Services Pty Ltd (Integrated Waste Services)

3. Authorise the General Manager Infrastructure and Projects, Mr Hockley and Mr Bruun to undertake negotiations with the above six respondents.
4. Note that following the negotiations with the short listed respondents a further agenda item will be prepared for consideration at a council meeting.
5. Authorise the General Manager Infrastructure and Projects to advise the unsuccessful respondents to the EOI process being:
 - GR and VA McArdle Earthmoving and Truck Dismantling
 - Rock and Crete Crushing Services Pty Ltd
 - Kangarilla Earthmovers Pty Ltd
 - Mallee Earthworks Pty Ltd
6. Authorise the General Manager Infrastructure and Projects to provide a verbal update on the EOI process to the land owner the Harvey family.

Section 91(7) Order Pursuant to Section 91(7)

7. That having considered Agenda Item 16.1 Monarto Quarries Expression of Interest in confidence under 90(2) and 3(d) and (k) of the Local Government Act 1999, the Council pursuant to Section 91(7) of the Act orders that the Council report, attachment and all minutes (other than as detailed below) be retained in confidence until the Expressions of Interest process is concluded and that this order be reviewed every 12 months.

Seconded Councillor Irvine and CARRIED

MEETING DECLARED CLOSED AT 9.15PM


MAYOR


DATE

5/3/22