

## MEETING NOTES

### MEETING WITH ALL COMMUNITY CONSULTATIVE BODIES' EXECUTIVES

WEDNESDAY 7<sup>TH</sup> MARCH 2012

Reception Room, City Administrative Centre, Bridge Road, Nowra.

The meeting commenced at 10.07am.

#### PRESENT

Clr Green – Mayor  
Clr Watson  
Clr Findley  
Russ Pigg – General Manager – Chairperson  
Carmel Krogh – Acting Assistant General Manager  
Peter Dun – Director Finance & Corporate Services  
Bill Paterson – Director City Services & Operations  
Peter Adams – Director Strategic Planning & Infrastructure  
Tim Fletcher – Director Development & Environmental Services  
Peter Swan – Integrated Planning and Reporting Officer  
Richard Payne – Media Manager  
John Lenehan – IT Manager

Rick Gainford – Berry Alliance  
Ralph Stadius – Berry Alliance  
Robin Watt – Ulladulla District and Community Forum  
Janice Shaloub – Ulladulla District and Community Forum  
Max Ford – Culburra Beach Progress Association  
Rae Jameson – Budgong Community Group  
Gwen Wiggins - Sussex Inlet Community Forum  
David Tarbert - Sussex Inlet Community Forum  
Hyams Beach - Representative  
Mariah Beckett - Bawley Point/Kioloa Progress Association  
Claire Stephenson - Bawley Point/Kioloa Progress Association  
CCB's - Other Representatives

Apologies:

Apologies were received from Clr Fergusson, Clr Miller, Clr Brumerskyj, Clr Soames

#### WELCOME

Mr Pigg welcomed everyone to the meeting and advised of the presentations that will be made today in relation to Property Valuations, the Draft Budget and a joint presentation regarding Roads.

Mr Pigg advised that the Budget is in a deficit situation and it is difficult for staff and Councillors to determine where funds can be pooled from and what projects may need to be cut back on.

Following the Presentations Peter Adams (Director Strategic Planning and Infrastructure) will give a brief talk about the LEP process.

## 1. BUDGET & DELIVERY PROGRAM

### a) Presentation – (Finance and Corporate Services)

*Council*

**Staff** - Peter Dun provided a PowerPoint Presentation and the following discussions and points were raised:

The Budget is in an early stage, however, it is important to advise the CCB's of where Council is up to in the "Draft" Budget. Council heard the comments from the CCB Meetings last year hence the reason for the detailed presentations. The first presentation was only made to Council last week and that was the first time the Councillors had seen the Draft Budget. Council seeks the views from the CCB's on what they want to see in the Budget.

Important points in relation to the Valuation Presentation:

- All land owners in the Shoalhaven recently received a land Valuation from the Valuer General's office with a base date of 1st July 2011.
- The Valuer General carries out these valuations every 3 years, council bases the rates off these valuations
- From 2008 to 2011 there has been a reduction in land value
- The land value percentages peaked in 2002-2005 and have decreased to 2008-2011
- Specific areas in the Shoalhaven have increased and some have decreased
- IPART have proposed that Council increase the rates by 3.6% for 2012/13
- If any ratepayers have concerns over the valuation of their property, they have the right to appeal to the Valuer General's Department. All land value objections can be made online via [www.lpi.gov/valuation](http://www.lpi.gov/valuation)  
or  
in writing to PO Box 745, Bathurst NSW 2795  
The last date to object is 13<sup>th</sup> April 2012

**Action:** - Peter Dun – Director Finance and Corporate Services to contact Shoalhaven Heads Community Forum to advise of Land Value Increase or Decrease %.

**Staff** - Peter Dun – Director Finance and Corporate Services addressed the meeting regarding the Draft Budget which was presented to Councillors.

Important points in relation to the Budget Presentation:

- This is the draft Budget
- More funding needs to be allocated to Roads, funding for this may need to come from other services/projects
- Commence the upgrade of the Ulladulla Civic Centre
- Commence planning for the upgrade of the Nowra Pool
- Upgrade utility services at Albatross Aviation Technology Park (AATP)
- Complete Ison Park upgrade
- Introduce new integrated software platform

A copy of the Draft Budget was available for all CCB's at the meeting. Since the meeting the draft budget has been adopted for public exhibition. The draft document is available for viewing at [www.shoalhaven.nsw.gov.au](http://www.shoalhaven.nsw.gov.au), Councils libraries and Administrative buildings.

Below is a Summary of the Draft Budget:

- Where does the money come from:
  - General Funds, gained revenue (not water and sewer)
- The total operation expenditure for Council is \$182.7 million.
- The proposed Capital Works Programme total is \$38.9 million
  - Ulladulla Civic Centre upgrade is estimated at \$8 million (currently in the budget) however there are changes to the final design
- Council total loan funds is \$7.125 million
  - The AATP upgrade will be paid for by land sales
  - A provision for land purchases is allocated in the budget

The General Manager advised that the land purchase for Huskisson car park may not be absolute, the Court case is run by the insurers and legal services. [Subsequently, the land has been purchased]

- The budget is currently in deficit by \$2.2 million\*: Reasons –
  - Property Market is depressed
  - The amount of Legal fees have increased
  - New positions for Graffiti & Volunteer Co-ordinators
  - Council is looking at purchasing Emulsion tanks due to the Boral Plant at South Nowra being closed.
  - Providing additional SES facilities due to the increase in incidents
  - Events Manager is now full time
  - Tree Management needs to be included in the Budget

\* Draft on exhibition has deficit of \$1.2 million approx.

Bill Paterson – Director City Services and Operations advised that:

- Council is trying to tackle the graffiti problem and removal of all graffiti, the community can get involved and businesses. Council is working with the CCB's, businesses and Business Chambers.
- Kiama MP and Council are negotiating penalties however to enforce the penalty they have to be caught in the act.
- The graffiti is being looked after through the Volunteer Graffiti Coordinator, there is a significant load on Council and it will take 1 additional person to cope with the new WHS legislation under the Act. All volunteers need to go through WHS requirements for council
- The General Manager will shortly send a letter to the volunteers to explain the new legislation requirements and how it affects them.

**CCB** - It was noted by Swanhaven that council has provided paint for the Community to paint over graffiti. **If any groups (CCB's) wish to do the same, please contact Council.**

**Staff** - Peter Dun – Director Finance and Corporate Services covered other areas/changes in the budget:

- Roads Funding needs to be increased due to the significant amount of rain over the past 12 months
- Council has also resolved to fund certain projects that also need to be included in the budget
- From Council's \$105 million in Investments, Council has approximately \$70 million that cannot be touched
- The remaining \$35 million is made up of: North Nowra Link Road (\$10.5m), Strategic Projects, Leave Entitlements and Other Internal reserves
- The proposed Rate Structure (not water) for 2012/13 has increased by 3.6% however this is being debated
- Under the new Carbon Tax, Council's electricity bill will rise by \$700,000 per year.
- Staff will put to council the \$2.2 million deficit, there are areas and options that will need consideration
- Council cannot increase projects and Road maintenance without increasing some funds.

**CCB** - Red Head Villages – How is the Carbon Tax relating to energy efficiency in Council?

**Staff** – Council is actively engaging in Water and Energy savings, and has achieved significant decreases in some areas of council. The largest part is Street lighting and this is not structured in energy usage.

Carmel Krogh – Director Shoalhaven Water advised:

- There are fixed costs with any Water scheme and operational costs. The cost of power is increasing which there is no control over and council is trying to match the water access charges. Shoalhaven Water Access Charge is the 2<sup>nd</sup> lowest in NSW.

Bill Paterson advised that the waste charge is enforced by the State Government Levy.

**CCB** – It was advised that all rental properties now have to install water saving devices and there should be some way of presenting to the Community the financial benefit.

**CCB** – It was noted that Council could save money from:

- The Donations Budget – Saving approximately \$300,000
- Bay and Basin Skate Park
- \$10 million North Nowra Link Road
- Possibly reducing the services in Council

**Staff** – Peter Dun gave an overall description of Council's Services which add up to \$2 million.

Russ Pigg advised that prior to Council decision on public exhibition, it is important for CCB's to see the Draft Budget to understand council's situation better.

**CCB** – What other areas can Council get funds from?

**Staff** – Russ Pigg advised that Council had some requests to increase funds (eg. SES) - the list and choices are long.

**CCB** – It was noted that if the Shoalhaven are to receive a level of service the money has to come from somewhere.

**CCB** – Rick Gainford (Berry Alliance) – addressed the meeting and advised that:

- From the CCB meeting last year the community all pushed for basic projects.
- Council is to make the decision to spend \$8 million for the Ulladulla Civic Centre and had previously on the SEC, or Council can spend funds on projects the community wants.
- Councillors may not increase the rates.
- The more services the community wants, the more the community need to get involved.
- A huge majority of funding will need to go to Roads

**Staff** – Russ Pigg advised that:

- The volunteer co-ordinator position costs approximately \$100,000 in the budget spread across the city.
- The Capital Works Budget is at \$38 million
- \$10.6 million is on Roads and Road related services

**CCB** – Budgong Community Group advised that the roads are deteriorating due to the drainage problems and if the drainage was fixed the Roads wouldn't deteriorate as quickly.

**Staff** – Peter Adams advised that it is very important to note that Council is endeavouring to improve the drainage problems throughout the Shoalhaven. Staff are responding to the drainages issues however there is not enough resources.

**CCB** – Hyams Beach advised that its worth objecting the to Valuer General's Office as they received a reduction in valuation last time.

## **b) Presentation – (Strategic Planning & Infrastructure)**

### *Council*

**Staff** – Peter Adams (Director Strategic Planning and Infrastructure) provided a Presentation in relation to the Sealed Roads in the Shoalhaven. Below is a Summary of the presentation.

- Council is in front of other Council's in Asset Management but far short of funding sufficient to maintain roads adequately
- Roads are Councils largest asset class and hold the highest replacement value and highest cost to maintain and renew.
- The total road surface (1311 km) replacement cost for the Shoalhaven is \$113.5 million
- The total road pavement (1671 km) replacement cost for the Shoalhaven is \$489 million
- Road maintenance are defined in Cracking, Patching, Binder/Stone, Deformation
- 29% of the Shoalhaven's Roads are in very good condition, 41% in good condition, 24% in fair condition with 5% in poor and 1% in very poor conditions

- When a road is built they have a limited life and at so many years they need to be replaced
- Deterioration of a road depends on how the road was built and the use of the road
- A strategic approach to roads maintenance is needed:
  - Council needs to do urgent and important work
  - A lot of work may be urgent but not important strategically such as pot hole repairs etc.
  - Some work may be important but not urgent such as resealing roads before they start to fail. This is how to get the best value for expenditure
  - Some work may be not urgent and not important and should therefore not be a priority.
- The cost to reseal a road is \$8/m<sup>2</sup>
- The cost to reconstruct a road is approximately \$80/m<sup>2</sup>
- An example of the above is: It will cost \$1 million to reseal 14km or to reconstruct 2.5km. Therefore it is far better to reseal roads before they fail, thus avoiding the need for reconstruction through pre-emptive resealing.
- The expenditure has varied across the years in terms of resealing

**CCB** – It was noted that the Road to Culburra has been done in 2 sections and now the previous section is already starting to deteriorate.

**Staff** – Bill Paterson (Director City Services and Operations) gave a presentation in relation to Roads and cost pressures, below is a summary:

- Heavy patching in areas is going up significantly and is far more expensive than repairing potholes
- Some of the Road Cost Pressures are caused from:
  - Due to the prolonged drought we have been lucky however the last 2 years of significant amount of rain has seen the roads deteriorate along with an increase in traffic
  - Have improved drainage in areas and cleaning up rural roads
  - When Council rehabilitates a road, the road is repaired, realigned and the road is widened where possible.
  - The funds being allocated to roads is not only rehabilitating the roads but also improving
  - Wet weather lately is showing weaknesses and has added enormous amount of construction
  - The reality of construction is that rain increases costs
  - The cost of bitumen has also increased
  - The number of defects reported has risen due to an increase in rain
  - Council is behind in defects repairs, some of this is due to the September 2010 wind storm where road crews were moved to more urgent projects, then adding wet weather increased the defects. Council is trying to catch up however more funding is required to do so
  - There is not enough funding to keep up with strategic issues and fix tactile issues
  - \$1 million in road construction doesn't go very far and wont see Council moving forward in construction, it will however mean Council wont fall behind as fast.
  - In some areas repairs have had to be carried out 3 times due to rain and contractors

- Council have added a bar to a truck/machine to be able to reseal small parts of roads, however Council is still engaging contractors for projects

**CCB** – Is there an option to Geotech the base?

**Staff** – Council look at all different techniques to make dollars go a long way.

**CCB** – Roads are a National problem, is there anything that is being done Nationally?

**Staff** – The Federal Member recognises the problems and some money is being spent on new roads.

#### **Questions:**

**CCB** – Some roads in Tomerong have cement under the road

**Staff** – The road has been repaired many times, however there are only enough funds to put “band aids” on the roads and that will only last a short time. The road needs to be repaired and in some areas the pavement is so bad it can only be repaired when funds are available to repave the road.

**CCB** – Can Council save money in labour costs and contracting out services rather than using Council staff? The Milton Tennis Courts project/repair has taken so long.

**Staff** – Staff work very hard, projects are allocated and Council determine what is best contracted externally. A lot of work is carried out by contractors.

**Action** – **Bill Paterson to contact Ulladulla regarding the Milton Tennis Courts project.**

**CCB** – For the roads that are non urgent not important, does council know the people that use the roads and if there are B-Doubles that use it as well as residents? Are studies done that determine the majority of the users of any particular road? For example Foster Drive, Bawley Point.

**Staff** – Council carries out a program of traffic counts. However we do not often know if heavy vehicles are going where they should not go unless we are alerted to this. There is not a lot Council can do to stop trucks under the law unless a load limit applies. Even then heavy vehicles can traverse a load limited road if there is now other route to their destination.

**CCB** – Council needs to take a longer term view on matters. CCB's should ask Councillors to look at roads and footpaths etc and let them know what the community wants. Don't let the Wards fight out for popular issues. Issues raised at the last meeting (12 months ago) need to be actioned and reported to CCB's. Rick Gainford thanked Councillors in attendance and Staff.

**CCB** – Council needs to support the residents for a free drop off for analogue TV's.

**CCB** – It is clear from the figures that maintaining the roads is unsustainable. What are the long term options for roads? Has Council considered high quality dirt roads, similar to other rural communities?

**Staff** – It is a strategic decision and Councils rely on grants from the Federal Government.

**Staff** – Russ Pigg thanked all present at the meeting and invited CCB's to send an email with comments etc.

Clr Green addressed the meeting, thanked staff and the CCB's for attending. This is just a snapshot of the road issues in a large City like Shoalhaven. Roads are our biggest issue and similar to other parts in NSW who are all facing road issues due to rain/flooding etc.

However in the statistics noted by staff 70% of our roads are good or fair. Council needs to focus on roads. Some Councillors have put forward a rate freeze, however staff are strong on this issue.

Everyone has increased expectations and no one wants to give up on important issues. Everyone is fighting for pieces of the pie and Council cannot meet everyone's requests without more funding.

Council has to be responsible and shouldn't take services away from the community, however some projects may need to be put on hold so Council can maintain the roads. The community want projects a) b) and c) and they cost x) y) z) but the bottom line is it is unsustainable to pay for these projects without increasing rates or obtaining funds from other projects, which means some projects in the city may be postponed.

Clr Green urged the CCB's to attend the Budget Briefings. Council needs a clear voice from the community.

Clr Green thanked Clr Findley and Clr Watson for attending the meeting today and thanked the CCB's.

Russ Pigg advised that Peter Adams – Director Strategic Planning and Infrastructure would give a short update on the LEP Process, and all are welcome to stay.

Note: Staff and the majority of CCB's left the meeting.

## **2. LEP 2009 – UPDATE ON NEXT STEPS**

### **a) Strategic Planning & Infrastructure**

*Council*

**Staff** – Peters Adams advised that the information he is presenting may not be news to those that are following the LEP process and advised of the following matters:

- The exhibition period has completed and Council has received over 3000 submissions
- A limited number of staff are working through the submissions and categorising them into topics



- 18 Special Development Committee meetings have been scheduled to deal with these submissions however council will try to get the process finalised sooner
- The first meeting was held on Monday 5<sup>th</sup> March 2012
- The recommendations from the Special Development Committee meetings will go to Council Ordinary Meetings in March and April
- There is a very tight timeframe on preparing reports as these meetings are scheduled mostly 2 per week
- Councillors are receiving the Business Papers electronically as they are prepared. The Business Papers for the public are available in the normal way and are available on Council's website however they may not be available until the day before the meeting.
- There may be significant changes which will result in having to re exhibit
- There are many types of categories of submissions
- Some dates when various issues are addressed may change

**Action – Staff will go back and check letters and submissions from CCB's**

**CCB** – The draft LEP dates 1996, it has taken a long time can the system be refined?

**Staff** – Staff have looked at issues and the exhibition process and redrafting the document for State Government

**CCB** – The next LEP process should include the Community. Has the ICAC submission in the State Government Planning System Review been considered?

**Staff** – A report by staff was submitted last night regarding the ICAC submission to the State Government on the planning process.

**CCB** – The DCP heights 8.5m and the LEP recommendations is 11m.

**Staff** – Discussion occurred on the previous heights in the DCP's, mapping of heights in the draft LEP and the prescriptive nature of the new LEP mapping verses the more flexible nature of DCP's.

There being no further business, the meeting concluded, the time being 12.40pm.

Russ Pigg  
CHAIRPERSON