

SHOALHAVEN CITY COUNCIL
ORDINARY MEETING

To be held on Tuesday, 22 October, 2013
Commencing at 4:00 pm

16 October, 2013

Councillors,

NOTICE OF MEETING

You are hereby requested to attend the Ordinary Meeting of the Council of the City of Shoalhaven, **to be held in the Council Chambers, City Administrative Centre, Bridge Road, Nowra on Tuesday, 22 October, 2013 commencing at 4:00 pm** for consideration of the following business.

R D Pigg
General Manager

Membership
All Councillors

BUSINESS OF MEETING

1. **Opening Prayer** – Reverend Rodney Davies, North Nowra Baptist Church
2. **Acknowledgement of Traditional Custodians**
3. **Australian National Anthem**
4. **Apologies/Leave of Absence**
5. **Confirmation of Minutes**
Ordinary Meeting – Tuesday, 24 September, 2013
6. **Declarations of Interest**
7. **Petitions and Presentations**
8. **Mayoral Minute**
9. **Deputations**
10. **Report of the General Manager – Committees Report**
Report of the Development Committee – Wednesday, 9 October, 2013
Report of the Policy and Resources Committee – Tuesday, 8 October, 2013
Report of the Council Property Steering Committee – Wednesday, 9 October, 2013
Report of the Nowra CBD Action – Thursday, 10 October, 2013
Report of the Shoalhaven Heads Estuary Taskforce – Monday, 14 October, 2013
11. **Report of the Shoalhaven Traffic Committee – Tuesday, 8 October, 2013**
12. **Report of the General Manager**
Councillor Reports on Conferences
Corporate and Community Services
Assets and Works
Planning and Development
13. **Notices of Motion and Questions on Notice**
14. **Addendum Reports**
15. **Confidential Report of the General Manager**
Report of the Development Committee – Wednesday, 9 October, 2013
Report of the Policy and Resources Committee – Tuesday, 8 October, 2013
Report of the Council Property Steering Committee – Tuesday, 9 October, 2013
Corporate and Community Services

Note: If any items of business require attendance of specialist staff (eg Legal, Insurance, Property) then Council will generally consider those items following the Mayoral Minutes.

Note: The attention of Councillors is drawn to Section 451 of the Local Government Act and Regulations and Code of Conduct regarding the requirements to declare pecuniary and non-pecuniary Interest in matters before Council.

Cell Phones:

Council's Code of Meeting Practice states that "All cell phones are to be turned off for the duration of the meeting".

LOCAL GOVERNMENT ACT 1993

Chapter 3

Section 8(1) - The Council's Charter

(1) The council has the following charter:

- to provide directly or on behalf of other levels of government, after due consultation, adequate, equitable and appropriate services and facilities for the community and to ensure that those services and facilities are managed efficiently and effectively
- to exercise community leadership
- to exercise its functions in a manner that is consistent with and actively promotes the principles of multiculturalism
- to promote and to provide and plan for the needs of children
- to properly manage, develop, protect, restore, enhance and conserve the environment of the area for which it is responsible, in a manner that is consistent with and promotes the principles of ecologically sustainable development
- to have regard to the long term and cumulative effects of its decisions
- to bear in mind that it is the custodian and trustee of public assets and to effectively account for and manage the assets for which it is responsible
- to facilitate the involvement of councillors, members of the public, users of facilities and services and council staff in the development, improvement and co-ordination of local government
- to raise funds for local purposes by the fair imposition of rates, charges and fees, by income earned from investments and, when appropriate, by borrowings and grants
- to keep the local community and the State government (and through it, the wider community) informed about its activities
- to ensure that, in the exercise of its regulatory functions, it acts consistently and without bias, particularly where an activity of the council is affected
- to be a responsible employer.

Wording for Acknowledgement of Traditional Owners

“It is customary to acknowledge country and I do so by paying our respects to elders past and present and acknowledge all peoples who have made Australia this great country we live in.”

Australian National Anthem

“Advance Australia Fair”

Australians all let us rejoice
For we are young and free
We’ve golden soil and wealth for toil,
Our home is girt by sea:
Our land abounds in nature’s gifts
Of beauty rich and rare,
In history’s page let every stage
Advance Australia fair,
In joyful strains then let us sing
Advance Australia fair.

Beneath our radiant Southern Cross,
We’ll toil with hearts and hands,
To make this Commonwealth of ours
Renowned of all the lands,
For those who’ve come across the seas
We’ve boundless plains to share,
With courage let us all combine
To Advance Australia fair.
In joyful strains then let us sing,
Advance Australia fair.

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MAYORAL MINUTE
ORDINARY MEETING
TUESDAY, 22 OCTOBER 2013

1. Councillor Attendance at Conferences

File 4688E

RECOMMENDED that Council approve three conferences per year per Councillor for the next 12 months and review the situation after that period.

This recommendation does not include State, Federal or Local Government Conferences where Councillors are expected to present their motions. Nor does it include daily seminars or training courses.

DETAILS

There has been some recent debate in the media and community about the cost of Councillor attendance at conferences and whether this is good value. This has come about by some Councillors expressing public concern about costs and the extent of presence at Conferences. Prior to those comments I have had concerns about costs, especially as we are in the Transformation, and cost savings for Council. The Mayoral Minute contains a recommendation to Council for discussion and debate. Conferences are a very valuable source of information and education for Councillors to gain important knowledge about industry trends, innovations, professional, legal, technical and technology changes relating to the broad range of Council business activities and responsibilities. It is also an opportunity to network with other Councils, speak about common issues and challenges and learn from each other.

Historically Shoalhaven City Council has always supported and encouraged Councillors to actively participate in its business, in addition to the expected attendance at Committee and Council meetings, including engaging with community and business groups and attending Councillor briefings and familiarity tours, conferences and other training courses (LGNSW), as each individual determines.

Limiting conference attendance by Councillors will potentially deny some Councillors these learning experiences. For example, if Council wanted to only allow two Councillors to attend any one conference, then the Council would normally need to vote and approve those to attend, creating the circumstance where potentially one or more Councillors may be disappointed if they are unable to attend. Alternatively, Council could limit the number of conferences an individual Councillor could attend each year. This would still enable each individual to choose those conferences which they see have the greatest value or relate to their special interests. In the first year of this Council's term, the number of conferences attended by Councillors has been variable and ranges from Nil to 11, with most Councillors attending 4 or less. On average, costs to attend are about \$1,500 to \$2,000, inclusive of registration, travel, accommodation and out of pocket expenses.

In reality, there are minimal savings to be made by introducing limits, unless the limit is set at two or three per Councillor per annum. This would then deny those Councillors who have the time, energy and willingness, to seek and obtain the knowledge gained by attendance.

2. International Fleet Review – Jervis Bay

File 47337E

DETAILS

Our own fleet review held over the two days, Wednesday, 2 October & Thursday, 3 October 2013 was, by comments made from many visitors, remarkably well organised, from traffic, to buses to hospitality. Thanks must go to our Council staff and businesses in the area, for the hospitality and professionalism displayed.

The cocktail reception at HMAS Creswell was well attended by Councillors and staff and the visiting Commanders of the warships were delighted by the warm welcome given to them.


3. International Fleet Review – Sydney Harbour

File 47337E

DETAILS

On Saturday, 5 October 2013, I was privileged to attend the Fleet Review at the Opera House as a guest of Vice Admiral Ray Griggs, Chief of Navy.

I would like the concurrence of Council to write to our Helicopter Pilots from HMAS Albatross, acknowledging the outstanding display of fly overs on the harbour. It was a spectacular display viewed by the many thousands of people present.



Joanna Gash (Mrs)
Mayor

REPORT OF GENERAL MANAGER

ORDINARY MEETING

TUESDAY, 22 OCTOBER 2013

GENERAL MANAGER – COMMITTEES REPORT

DEVELOPMENT COMMITTEE – WEDNESDAY 9 OCTOBER 2013 (ITEMS 1 TO 5)

1. New Commercial - demolish existing & construct new 3 storey mixed use development. Sec 96(1a) to reduce building levels and reconfiguration of apartments – Development Control Plan No.18 – Car Parking Code policy variation request at Lot 3 DP 7025, No.39 Owen Street, Huskisson. Applicant/Owner: Bremertom Pty Ltd

File DS13/1250 (PDR)

RECOMMENDED that Council:

- a) Support the amendment of a policy variation of DCP 18 to permit stack car parking;
 - b) Receive a Councillor Briefing on the circumstances where this policy could be considered; and
 - c) The use of this policy be restricted for mixed commercial/residential development areas within CBD areas which have low pedestrian flows and low traffic flows and potential for traffic conflict.
2. Addendum Report 1 - Proposed Rectification of Stormwater Pipeline outside dedicated Drainage Easement over Lot 73 DP257068 McIntosh Street, Shoalhaven Heads. Applicant: Kwarra Beach Pty Ltd (Tom Bishop) Owner: Australian Post Tel Institute.

File DA12/2056

RECOMMENDED that Council:

- a) Agree in principle to the laying of new pipe within the existing drainage easement:
- b) Contribute 50% of the total cost of the new pipeline up to a maximum of \$42,500 from Job number 15965; and
- c) Write to the Department of Lands (NSW) requesting costs to be covered by the Crown.

Planning and Development

3. Badgee Urban Release Area, Sussex Inlet - Deferred Matters – Planning Proposal (Rezoning) LP407

File 47611E (PDR)

RECOMMENDED that Council resolve to:

- a) Support the Planning Proposal for Badgee deferred areas Sussex Inlet; and

-
- b) Submit the Planning Proposal to the Department of Planning and Infrastructure requesting 'gateway determination'
4. Mundamia Urban Release Area – Proposed Planning Agreement/ Contributions Plan
File 46790E, 47787E (PDR)
-

RECOMMENDED that Council:

- a) Endorse the essential infrastructure projects associated with the development of the Mundamia Urban Release Area as outlined in this report and its attachments;
- b) Prepare and exhibit an Amendment to Shoalhaven Contributions Plan 2010 based on the essential infrastructure projects outlined in this report and its attachments;
- c) Report back to Council following the exhibition of the Amendment to Shoalhaven Contributions Plan 2010; and
- d) Continue to liaise with landowners in the Mundamia Urban Release Area in relation to the draft Contributions Plan Amendment and possible Planning Agreement.

Planning and Development/Corporate and Community Services

5. Request to Waive Development Application and Associated Fees - New Dwelling for a Charity Organisation
File 23618E, 4771E
-

RECOMMENDED that Council vary policy POL12/84 and waive the development application and associated fees in the amount of \$1,194.10 identified in the report in support of Variety - the Children's Charity project

POLICY AND RESOURCES COMMITTEE – TUESDAY 8 OCTOBER 2013 (ITEMS 6 TO 12)

Corporate and Community Services

6. Berry School of Arts - Management Committee Interest File 7056e

RECOMMENDED that:

- a) Council continue to manage the Berry School of Arts in consultation with an advisory committee;
- b) An advisory committee be established from user groups of the Berry School of Arts and interested community members and to be named the User Group Committee;
- c) The purpose of the User Group Committee be to:
 - Advise on increasing usage of the facility;
 - Incorporated organisations to apply for grants that are not available to Council; and
 - Ensure the facility is available to all local community groups;
- d) A Public Notice will advertise a meeting to call for nominations from user groups, community organisations and interested community members;
- e) Council revisit the option of forming a management committee in 12-18 months time if usage has increased and the facility is considered sustainable for committee management;
- f) The budget currently in the Property Unit (Job No. 29804) needs to be transferred to the Public Halls Budget (Job No. 13980) with an additional budget allocation of \$6,590 for ongoing operational costs of this facility; and
- g) Councillors be advised via email of the membership of the advisory committee.

7. Sanctuary Point - Clifton Park - Learn to Ride Facility, Community Gardens & Mens Shed File 46477E, 45369E, 44032E

RECOMMENDED that:

- a) Council develop a policy on the provision of a Community funded asset on community land which will include but not limited to funding models, disbandment clauses and maintenance;
- b) Council identify a matching funding source of \$20,000 in the 2014/2015 financial year noting that the identified cost of construction for the Learn to Ride facility is \$65,000;
- c) The additional \$25,000 is sought from community grant opportunities and that the application be a joint application; and
- d) Council receive the progress update on the Community Gardens; Learn to Ride facility and the Men's Shed at Clifton Park Sanctuary Point for information only.

Assets and Works

8. Ratepayer Advance - 44 Tingira Drive, Bawley Point File 48078E

RECOMMENDED that Council enter into a Ratepayers Advance Agreement, executed under the Seal of Council, with Lillian Patricia Ezzy of 303/12 Pennant Street, Castle Hill in respect of Kerb and Gutter construction to the value of \$10,834.56; \$2,669.76 (including GST) is a contribution and \$8,164.80 is the advance. The amount to be repaid to the Ratepayer in 5 years at 5% interest is \$10,206.00.

9. Policy Review - Private Use of Public Parking File 17432E

RECOMMENDED that Council adopt the revised policy "Private Use of Public Parking" and the two new fees, in addition to the existing fee, associated with this policy, being:

- a) Application fee \$124.00;
- b) Parking usage fee \$38.50 per parking space per week or part thereof; and
- c) Signage installation and restoration fee \$780.00 per zone.

Planning and Development

10. NSW Population Projections and Forecasts - Population Growth Management File 2454E

RECOMMENDED that the report of the General Manager (Planning & Development Services Group) on population projections and forecasts be received for information.

Shoalhaven Water

11. Tender Process - Matron Porter Water Main Replacement File 47834E

RECOMMENDED that Council, in accordance with Section 10A(2)(d)(i) of the Local Government Act (2003), consider a separate confidential report on this matter.

Assets and Works/Shoalhaven Water

12. Donation Request - Bomaderry Rotary Club Life Education Liaison - Prime Mover for Life Education Van File 4771E

RECOMMENDED that:

- a) Council sell a 2nd hand Nissan UD Truck (plant no 90762) from the Shoalhaven Water Fleet to Bomaderry Rotary Club for \$15,000 for the Life Education Program;
- b) Council provide the funding (approximate value \$39,425) being the difference between the carrying value and the actual amount to be paid by the Rotary club;
- c) Shoalhaven Water Fund be reimbursed \$15,000 from the General Fund Plant Replacement reserve as a General Fund contribution consistent with the resolution on 28 February 2012; and

-
- d) Council request recognition of its contribution be made visible on the truck.

**COUNCIL PROPERTY STEERING COMMITTEE – WEDNESDAY 9 OCTOBER, 2013
(ITEMS 13 TO 16)**

Assets and Works

13. Acquisition of Land for Community Pathway, part Lot 101 DP1035983, 10 Tannery Road, Berry - Owner: Hashim Hussein File 45065E, 43861E, 4792E, 41772E
-

RECOMMENDED that:

- a) Council resolves to acquire part of Lot 101 DP1035983 known as 10 Tannery Road, Berry, for a shared path previously constructed by the Berry/Gerringong Rotary Club as shown in Attachment A;
 - b) Council resolves to pay compensation of \$6,000 plus GST if applicable, in addition to the owner's reasonable legal, valuation and ancillary costs under the terms of the Land Acquisition (Just Terms Compensation) Act 1991;
 - c) The compensation and costs be funded from job number 85001-23906 – Land Acquisition; and
 - d) The Common Seal of the Council of the City Of Shoalhaven be affixed to any documents required to be sealed, otherwise the General Manager be authorised to sign any documentation necessary to give effect to the resolution.
14. Acquisition of Drainage Easement over part of Lot 37 DP19407, 17 Central Ave, South Nowra - Owner: Vincenzo Corapi File 40628E
-

RECOMMENDED that:

- a) Council resolves to acquire an easement for drainage 6 m wide over part of Lot 37 DP19407, 17 Central Ave, South Nowra as shown in Attachment A;
 - b) Council to pay compensation of \$15,000 plus GST if applicable, in addition to the owner's reasonable legal and valuation costs and other ancillary costs, in accordance with the Land Acquisition (Just Terms Compensation) Act 1991;
 - c) The Compensation and costs to be funded from job no. 85001 12021; and
 - d) The Common Seal of the Council of the City of Shoalhaven be affixed to any documents required to be sealed, otherwise the General Manager be authorised to sign any documentation necessary to give effect to the resolution.
15. Acquisition of Drainage Easement over Lot 3 DP 868958, 6 Faulks Place Cambewarra - Owners: Robin McLean & Kayleen Bowley File 46912E
-

RECOMMENDED that:

- a) Council resolve to acquire the Easement for drainage 3 metres wide over part of Lot 3 DP 868958, 6 Faulks Place, Cambewarra as shown in Attachment A;
- b) Council pay compensation of \$10,500 plus GST if applicable, in addition to the owner's reasonable legal and valuation costs and other ancillary costs associated

with the acquisition, in accordance with the Land Acquisition (Just Terms Compensation) Act 1991;

- c) The compensation and associated costs be funded from job number 75612/99999 Strategic Stormwater Catchment; and
- d) The Common Seal of the Council of the City of Shoalhaven be affixed to any documents required to be sealed, otherwise the General Manager is authorised to sign any documentation necessary to give effect to the resolution.

16. Egans Lane Car Park Redevelopment Status Report File 47709E

RECOMMENDED that Council receive the report of the General Manager (Assets & Works) concerning Egans Lane Precinct Redevelopment for Information.

NOWRA CBD ACTION – THURSDAY 10 OCTOBER 2013 (ITEMS 17 TO 21)

17. Business Arising File

RECOMMENDED that Council accept the following replacement memberships:

- Ms Anne Brown has replaced Ms Jacqui Burke as a member representing the Shoalhaven Business chamber
- Mr James Caldwell has replaced Mr Mark Crowther as a member representing the Nowra Ratepayers and Tenants Association

Assets and Works

18. Capital Works Update for Nowra CBD File 44389E, 16244E, 7412E, 8028E, 46730E, 46023E, 47767E

RECOMMENDED that:

- a) That Junction Court be opened to eastbound traffic;
- b) The cost of \$160,000 to make Junction Court trafficable, be received for information, and this be funded from the available budget allocation of \$87,000 for Junction Court (Job Number 85990); the \$50,000 grant from Roads and Maritime Services; and \$23,000 from the North Nowra Link Road (Job Number 85098);
- c) The available budget allocation of \$210,000 for the Berry Street footpath be used to commence footpath replacement at the Worrigeer Street end, working to the north;
- d) The footpath widening and rehabilitation works be generally in accordance with the concept plan (Attachment 'D');
- e) Additional funds be considered in the 2014/15 Budget to allow completion of the Berry Street Footpath works;
- f) The re-design of the Stewart Place bus interchange, as shown in Attachment 'E', be endorsed; and
- g) A water filling station be installed in an appropriate location in Junction Court after consultation with the local businesses.

Note by General Manager:

- # Bookings for the public use of the Junction Court area are coordinated by the Economic Development Unit. Attached is the bookings for 2013 to give Councillors insight into current usage.

Planning and Development

19. Draft Nowra CBD Building Height & FSR Study – Exhibition Outcome File 47428E

RECOMMENDED that Council in respect to the exhibited Draft Nowra CBD Building Height and Floor Space Ratio Study:

-
- a) Adopt the exhibited building heights and FSRs
 - b) Advertise the adoption in the local media;
 - c) Advise all submitters including the Department of Planning & Infrastructure of Council's resolution in writing;
 - d) Commence the preparation of a planning proposal be prepared to incorporate the final height and FSR outcomes into the SLEP 2013;
 - e) Prepare an urban design Development Control Plan (DCP) to support the adopted heights and FSRs, and placed a high priority project in the Council's Delivery Program; and
 - f) Receive a further report addressing the resourcing and processes required to prepare the planning proposal and urban design DCP.

General Business

20. Additional Item – Multi Storey Car Park File

RECOMMENDED that the Detailed Design process for the Multi Storey Car Park be brought to Nowra CBD Action.

21. Additional Item – Nowra CBD Maintenance and Cleaning Program File

RECOMMENDED that a report on the Nowra CBD Maintenance and Cleaning Program be provided at the next meeting of the Nowra CBD Action.

SHOALHAVEN HEADS ESTUARY TASKFORCE – MONDAY 14 OCTOBER 2013 (ITEMS 22 TO 26)

Corporate and Community Services

22. Alternative Membership for Northern Shoalhaven Natural Resources and Floodplain Management Committee File 46778E
-

RECOMMENDED that Council appoint Graeme Philpott as the alternate Shoalhaven Heads Estuary Taskforce representative for the Northern Shoalhaven Natural Resources and Floodplain Management Committee.

Planning and Development

23. Update on Minutes from Previous Meeting - Shoalhaven Heads Estuary Taskforce File 45866e
-

RECOMMENDED that the report be received for information.

24. Australian Research Council Linkage Project –University of Wollongong File 3406E
-

RECOMMENDED that:

- a) The report be received for information; and
- b) A letter of thanks be sent to Ms Kerrylee Rogers for the presentation

25. Grant Funding Options for the Shoalhaven Heads Estuary Taskforce Project File 3406E
-

RECOMMENDED that the Grant Funding Options for the Shoalhaven Heads Estuary Taskforce Project be deferred.

General Business

26. Additional Item – Consultant's Brief File
-

RECOMMENDED that:

- a) Staff prepare a Consultant's Brief for the consideration of the Shoalhaven Heads Estuary Taskforce embracing the objectives of the Taskforce, including a review of literature to date and the Estuary Management Plan, and the preparation of a report identifying feasible options with particular reference to Objective 2 of the Taskforce;
- b) The draft Brief be sent to members of the Taskforce prior to the next meeting seeking their comments; and
- c) The Brief later include an invitation from appropriately qualified consultants or Universities to indicate a price for the Study as detailed above.

R.D Pigg
GENERAL MANAGER

SHOALHAVEN TRAFFIC COMMITTEE – TUESDAY 8 OCTOBER 2013

ORDINARY MEETING

TUESDAY, 22 OCTOBER 2013

REPORT OF THE CONVENOR

ITEMS FOR APPROVAL UNDER DELEGATED AUTHORITY

27. Bus Route access - parking restrictions - Bayswood Estate (PN 2986) File 10582E

RECOMMENDED that the General Manager (Director Assets and Works) be requested to arrange the installation of:

- a) a 30m Bus Zone on the northern side of Halloran Street between Summercloud Crescent and Belay Drive as detailed in the attached plan TRAF 2013/49.
- b) a No Stopping zone 7am - 5pm Mon - Fri, on the northern side of Halloran Street between Seagrass Avenue and Summercloud Crescent and Belay Drive and Bayswood Avenue as detailed in the attached plan TRAF 2013/49.

Martin Upitis
CONVENOR

REPORT OF GENERAL MANAGER

ORDINARY MEETING

TUESDAY, 22 OCTOBER 2013

COUNCILLOR REPORTS ON CONFERENCES

28. Local Government Conference - LG NSW Water Management ConferenceFile 4688E

PURPOSE: Delivery Program Activity: 4.3.2.1

To provide a report from Cllr Mark Kitchener on the LG NSW Water Management Conference held in Terrigal 8-10 September 2013.

RECOMMENDED that the report regarding the LG NSW Water Management Conference held in Terrigal 8-10 September 2013 be received for information.

OPTIONS:

1. Receive the report for information, as requested.
2. Request for further information on the conference.

DETAILS:

In accordance with Clause 3.3(e) of the Council Members – Payment of Expenses and Provisions of Facilities Policy, Cllr Mark Kitchener has submitted a report regarding the LG NSW Water Management Conference held in Terrigal 8-10 September 2013. The conference report is attached for information.

R.D Pigg
GENERAL MANAGER

REPORT OF GENERAL MANAGER

ORDINARY MEETING

TUESDAY, 22 OCTOBER 2013

CORPORATE AND COMMUNITY SERVICES

29. Carrier Tender – Supply of ICT Services

File 47602E

PURPOSE: Delivery Program Activity: 5.1.3.9

Information Technology through its service profile - facilitates and delivers business systems and technologies to support the requirements and improve the operation of Council services and facilities.

This report is presented direct to the Ordinary Meeting of Council in accordance with Clause 3 of the Acceptance of Tenders, Report to Council Policy (POL12/148).

RECOMMENDED that Council in accordance with Section 10A (2)(d)(i) of the Local Government Act, 1993 consider a separate confidential report on this matter.

OPTIONS

1. Council accept the recommendation concerning the tenders for the supply of ICT Carrier Services.
2. Council not adopt the recommendation and provide an alternate proposal.

DETAILS

In September 2013 Council went to market for the supply of telecommunications services through a full open Request for Tender process. The services being tendered for were broadly separated into two areas, *Mobile Services* and *Fixed Line Services*. Within these two areas were a number of service types that could be tendered individually or bundled. The breakdown of services being tendered for were as follows:

Mobile Services and Call rates.

- a. Voice and data services.
- b. SMS Gateway Services.
- c. Security Services.
- d. GSM Gateway / cost reduction routing solution.

Fixed Services and Call rates.

- a. Analogue voice services.
- b. Digital voice services.
- c. 1300 services.

Tenders were received from:

Optus Networks Pty Ltd,
Telstra Corporation Ltd,
Ipera Communications Pty Ltd,
MyNetFone Australia Pty Ltd,
Ethan Group Pty Ltd

Tenders were assessed by a staff panel for compliance and ability to supply services using a predefined tender evaluation methodology.

A separate confidential report provides Councillors with a breakdown of the tenders received and the subsequent assessment report following the tender evaluation allowing Council to make an informed decision.

FINANCIAL IMPLICATIONS:

The recommendations of this report will position Council to take full advantage of any opportunities that arise from technology innovation by equipping it with access to the latest technology networks.

The cost of implementing these recommendations is estimated to be a one off cost of approximately \$25,000K. This cost is to be met from the forecast savings as detailed below.

Service	Implementation Period	Forecast Saving (low)	Forecast Saving (Hi)		2013/14 Saving	2014/15 Savings	2015/16 Savings
PSTN Rental	6 Months (Audit)	\$34K	\$42K		\$10K	\$38K	\$38K
PSTN Calls	4 Months	\$10	\$15K		\$4K	\$13K	\$13K
Fixed Digital Rental	4 Months	\$15K	\$15K		\$4K	\$15K	\$15K
Fixed Digital Calls	4 Months	\$4K	\$12K		\$2K	\$8K	\$8K
Mobile Phone Calls/Data	3 Months	\$0K	\$15K		\$4K	\$7K	\$0K
Mobile Data Modems	4 Months	\$40K	\$60K		\$12K	\$50K	\$50K
Data							
Mobile Phone Hardware	24 Months	\$20K	\$30K		\$19K	\$25K	\$25K
Total					\$55K	\$156K	\$149K

Forecast Low and Hi savings are comparative to current yearly spend.

Forecast savings are an approximation based on business expectations for technology usage and industry growth analysis. All forecast savings are made on the assumption that all recommendations of the report are immediately implemented.

To some degree, savings are dependent on factors that are very hard to accurately determine, such as customer access patterns, mobile device field usage and technology innovation.

Cost savings are forecast to be in the vicinity of 25% of total existing fixed and mobile voice and data budget expenditure (excluding Wide Area Data Network expenditure).

The above savings forecasts are for whole of fleet. Due to the nature of tariffing, this expected percentage saving cannot be uniformly applied to existing cost centre expenditure, as it is very much dependant on the individual usage patterns per service. Some users will likely see an increase in total costs for their individual service. The only

accurate way to determine the budget implications for individual cost centres will be to apply the average usage costs for the first three months after implementation to the previous 12 month average for the same service.

The Telecommunications Administrator will work with the Finance Section to identify these cost implications so that the appropriate adjustments can be made to budgets in order to capture savings for inclusion in the Transformation Program savings targets.

COMMUNITY ENGAGEMENT:

No community engagement was necessary for this process.

30. Pecuniary Interest Returns - 1 July 2012 to June 2013 File 4063E & 39915E

SECTION MANAGER: Melissa McCoy.

PURPOSE: Delivery Program Activity: 4.3.1.1

Section 450A of the Local Government Act states that Pecuniary Interest Returns lodged with the General Manager must be tabled at the first meeting of the Council held after the lodgement date of 30 September 2013.

RECOMMENDED that

- a) **The report of the General Manager (Corporate and Community Services) regarding the Pecuniary Interest Returns lodged for the period of 1 July 2012 to 30 June 2013 be received for information; and**
- b) **The General Manager take appropriate action in accordance with Councils Code of Conduct in respect of any Councillors, Staff or Delegates who are in contravention of the Local Government Act.**

OPTIONS

- 1. As recommended.
- 2. Council may withdraw delegated authority to the Boards whose members have not completed the returns.
- 3. The General Manager may suspend membership of Boards for any member in contravention of the Local Government Act.

DETAILS

The lodgment date for Pecuniary Interest returns covering the period 1 July 2012 to 30 June 2013 was 30 September 2013.

Persons with an obligation to lodge a pecuniary interest return by 30 September 2013 are listed at Attachment A and those completed returns will be tabled at this meeting.

Notice was given to all Councillors on 13 August 2013 with reminders on 13 September 2013 and 30 September 2013.

Notice was given to all designated staff on 7 August with reminders on 13 and 30 September.

Notice was provided to Boards on 14 August with reminders sent on 20 September 2013.

Those that have not completed returns at the time of preparation of this report are listed below. Failure to complete the returns is a breach of the Local Government Act 1993 and Clause 4.7 of the Code of Conduct.

Staff Members

Brian Shearing – Shoalhaven Water - currently on leave till 4th November
Tony Pearman – Planning and Development
Thomas Roose – Planning and Development
Edo Smits – Planning and Development

Board Members

Shoalhaven Sports Board:

Syd Weller
John Dyball
Malcolm Campbell

Shoalhaven Arts Board:

Robbie Collins
Stephen Nall
Catherine Shields

Shoalhaven Tourism Board:

Andrew Herring
Catherine Shields

Clearly it is not a matter of discretion, and staff have approached the members of Boards required to complete the returns on a number of occasions.

Any forms that are returned between the close of the Report and the Ordinary Meeting will be advised verbally at the Ordinary Meeting.

FINANCIAL IMPLICATIONS:

As this is an obligation imposed under the Local Government Act, there are no resource or financial implications as a result of this report.

SECTION MANAGER: Nancy Marriott.

PURPOSE: Delivery Program Activity: 5.1.3.14

Under Sections 413 and 418 of the Local Government Act 1993 Council is required to refer the draft financial statements to audit, sign statements on the preparation of the statements and set the date for the presentation of the audited financial statements.

RECOMMENDED that:

- a) **the Mayor, one other Councillor, the General Manager and the Responsible Accounting Officer sign statements on the preparation of the Financial Statements for the year ended 30 June 2013 in accordance with Section 413(2)(c) of the Local Government Act 1993 and requirements under the Local Government Code of Accounting Practice and Financial Reporting.**
- b) **the draft Financial Statements for the year ended 30 June 2013 be referred to Council's external auditor, Pitcher Partners Accountants, Auditors and Advisors in accordance with Section 413 of the Local Government Act 1993**
- c) **Council present its audited Financial Statements and Audit Report to the public at the Ordinary Meeting of Council to be held on Tuesday 19 November 2013 and in accordance with section 418 of the Local Government Act 1993 public notice of this date be placed in local newspapers on Wednesday 6 November 2013.**

OPTIONS

- 1. Adopt the recommendation
- 2. Adopt part of the recommendation and make an alternative resolution
- 3. Not adopt any of the recommendation and make an alternative resolution

DETAILS

Council's Financial Statements for the year ended 30 June 2013 have been prepared and are ready to be audited. A draft of the statements was referred to the independent members of Council's Audit Committee for review and discussed at a meeting with the External Auditor present on 18 October 2013.

In accordance with Section 413 of the Local Government Act 1993, Council must refer these statements for audit. Prior to the completion of the audit Council is required to give its opinion on the Financial Statements.

Section 413(2)(c) of the Local Government Act 1993 and the Local Government Code of Accounting Practice and Financial Reporting requires the Mayor, one other Councillor, the General Manager and Responsible Accounting Officer to certify the following:

1. The General Purpose Financial Statements have been prepared in accordance with:
 - Local Government Act 1993 (as amended) and Regulations made thereunder
 - The Australian Accounting Standards and professional pronouncements
 - Local Government Code of Accounting Practice and Financial Reporting

And that to the best of Council's knowledge and belief that the statements:

- Present fairly the Council's operating result and financial position for the year; and
- Accord with Council's accounting and other records.

2. The Special Purpose Financial Statements have been prepared in accordance with:
 - NSW Government Policy Statement "Application of National Competition policy to Local Government".
 - Division of Local Government Guidelines "Pricing & Costing for Council Businesses: A guide to Competitive neutrality".
 - The Local Government Code of Accounting Practice and Financial Reporting.
 - The NSW Office of Water, Department of Environment, Climate Change and Water Guidelines.

And that to the best of Council's knowledge and belief, the reports:

- Present fairly the operating result and financial position for each of Council's declared business Activities for the year, and
- Accord with Council's accounting and other records.

The General Purpose Financial Statements and Special Purpose Financial Statements have been prepared in accordance with the Local Government Code of Accounting Practice and Financial Reporting and applicable Accounting Standards (draft copies are included in Councillors' Information Folder).

The General Purpose Financial Statements are prepared on a consolidated basis. The information presented reflects all of Council's activities including the General Fund, Water Fund, Sewer Fund and any other entities controlled by Council. It should be noted that all internal transactions are eliminated including expenses relating to Council rates, water usage charges, waste management charges etc levied on Council activities.

The Special Purpose Financial Statements relate to activities of Council that are classified as a business under the National Competition Guidelines. Classified activities are further classified as either a Category 1 or Category 2 business depending on whether the annual turnover is above or below \$2 million.

In preparing the Special Purpose Financial Statements certain taxes and charges that Council is not normally liable to pay must be calculated. These include company income tax, land tax, stamp duty and payroll tax. These amounts are included in the Special Purpose Financial Statements but only as notional amounts. The Special Purpose Financial Statements also include calculations with regard to Water and Sewer Best Practice pricing guidelines and dividend payments. These statements must be audited

and submitted to the NSW Office of Water prior to the payment of a dividend from Water or Sewer funds.

When the audit is finalised, the audited Financial Statements and Audit Report are to be presented to the public at a meeting of Council in accordance with Section 418 of the Local Government Act 1993. It is proposed that the Financial Statements and Audit Report be presented to the public at the Ordinary Meeting of Council to be held on Tuesday 19 November 2013. Public notice of this meeting will be made on Wednesday 6 November 2013 with the Financial Statements and Audit Report being available for inspection at Council's offices from Wednesday 6 November 2013 to Wednesday 20 November 2013.

The process that Council must follow in the preparation, audit and presentation of the Financial Statements is prescribed in detail by the Local Government Act 1993. The following timetable will allow these processes to be satisfied.

22 October 2013	Ordinary Meeting of Council – 2012 / 2013 Draft Financial Statements presented to Council seeking Council to resolve to refer them for audit and make statements on the preparation as required by Section 413 of the Local Government Act 1993 and the Local Government Code of Accounting Practice and Financial Reporting.
Prior to 7 November 2013	Auditors report to be received by Council and the Financial Statements and Audit Report submitted to the Division of Local Government.
6 November 2013	Public advertisement which notifies that the Financial Statements and Audit Report are available for inspection at Council offices and Libraries until 20 November 2013. The advertisement also advises that the Financial Statements and Audit Report will be presented to the public at a Council meeting on 19 November 2013 and submissions will be received until 26 November 2013.
19 November 2013	Ordinary Meeting of Council – Financial Statements and Audit Report presented to the public at a meeting of Council.
26 November 2013	Closing date for public submissions on the Financial Statements. Any submissions received must be referred to Council's auditor for consideration (Section 420).

32. Record of Investments – August 2013

File 2126E

SECTION MANAGER: Nancy Marriott

PURPOSE: Delivery Program Activity: 5.1.3.14

Under Section 625 of the Local Government Act 1993 and Clause 212 of the Local Government (General) Regulation it is a requirement to provide a written report to Council on a monthly basis setting out details of all money that Council has invested.

RECOMMENDED that the Report of the General Manager (Corporate Services and Community Services Group) on the Record of Investments for the period to 30 September 2013 be received for information.

OPTIONS

1. The report on the Record of Investments for the period to 30 September 2013 be received for information
2. Further information regarding the Record of Investments for the period to 30 September 2013 be requested

DETAILS

Council's current investment portfolio has a weighted average return of 3.94% (annualised), 136 basis points above the average 90 day Bank Bill Rate of 2.58% (as supplied by CBA).

The Managed Fund Portfolio returned an average 3.63% over the last twelve months while Council's direct investment portfolio will return a weighted average of 3.95%.

Interest received on Council's investment portfolio for the financial year to date is \$1,083,702 compared with \$1,133,083 for the same period last financial year. The decrease in interest on investments is due to the Council's overall weighted average return decreasing, the weighted average of the interest received last financial year to 30 September was 5.39% compared to this financial year of 4.25%. The interest earned to the month of September is above pro-rata budget.

The Portfolio Valuation Report provided by ANZ for 30 September 2013 states that:

The Australian equity market gained during the month. The S&P ASX 200 closed the month 1.6% higher at 5,218.88. The Australian dollar improved, buying 0.9317 USD at month end.

The RBA left the target cash rate at 2.50% at the September meeting, whilst the 90 day Bank Bill Swap Rate (BBSW) closed the month up 2 basis points at 2.60%.

RECORD OF INVESTMENTS

Cash and Investment Balances

	September 2013	August 2013
Total Cash And Investments		
Total Cash	\$1,776,723	\$5,361,633
Total Investments	<u>\$121,724,502</u>	<u>\$115,722,632</u>
	<u>\$123,501,225</u>	<u>\$121,084,264</u>
 Less Cash & Investments Held In Relation To Restricted Assets		
Leave Entitlements & Workers Compensation Liability	\$9,620,937	\$7,620,937
Loans - General Fund	\$295,682	\$774,478
Financial Assistance Grant	\$4,793,727	\$4,793,727
Grant reserve	\$1,202,975	\$2,205,865
North Nowra Link Road	\$745,028	\$745,946
Other Internal Reserves	\$10,236,216	\$12,687,804
Section 94	\$18,697,165	\$18,812,637
Section 94 Matching Funds	\$1,321,209	\$1,445,579
Storm Water Levy	\$52,415	\$179,374
Strategic Projects General	\$3,460,443	\$3,810,276
Trust	\$98,006	\$98,006
Waste Disposal	\$10,646,435	\$9,624,473
Sewer Compensation	\$6,568	\$6,568
Sewer Construction Works	\$7,851,541	\$6,876,012
Section 64 Water	\$9,680,961	\$9,663,662
Water Construction Works	<u>\$26,316,972</u>	<u>\$25,990,267</u>
Total Restricted	<u>\$105,026,280</u>	<u>\$105,335,610</u>
 Unrestricted Cash And Investments		
General	\$16,474,945	\$13,748,654
Water	\$1,000,000	\$1,000,000
Waste Water	<u>\$1,000,000</u>	<u>\$1,000,000</u>
Total Unrestricted	<u>\$18,474,945</u>	<u>\$15,748,654</u>

Total cash increased in September due to a rates instalment due on the 2nd. A transfer of \$2million between Other Internal Reserves (Investment Losses Reserve) and Employee Leave Entitlements Reserve occurred as per Minute 13.842.

SHOALHAVEN CITY COUNCIL STATEMENT OF INVESTMENTS 30 September 2013							
DIRECT INVESTMENTS: Institution	Rating	Inv Type	Principal	Terms	Interest Rate	Maturity (1st)	Final Maturity
AMP Bank	A1	TD	\$1,000,000.00	96	3.60%	23-Dec-13	
AMP Bank	A1	TD	\$4,000,000.00	93	3.80%	05-Dec-13	
ANZ	A1+	TD	\$1,000,000.00	105	3.80%	27-Nov-13	
ANZ	A1+	TD	\$3,000,000.00	126	3.70%	30-Jan-14	
ANZ	A1+	TD	\$4,000,000.00	105	3.80%	28-Nov-13	
ANZ	A1+	TD	\$3,000,000.00	106	3.70%	09-Jan-14	
ANZ	A1+	TD	\$2,000,000.00	98	3.75%	05-Dec-13	
B & E Ltd Bank	NR	TD	\$1,000,000.00	99	4.00%	13-Nov-13	
Bank of Qld	A2	TD	\$2,000,000.00	98	3.95%	21-Nov-13	
Bank of Qld	A2	TD	\$1,000,000.00	91	3.95%	21-Nov-13	
Bank of Qld	A2	TD	\$1,000,000.00	98	3.85%	04-Dec-13	
Bank of Qld	A2	TD	\$2,000,000.00	97	3.85%	04-Dec-13	
Bendigo Bank	A2	TD	\$2,000,000.00	183	4.05%	23-Jan-14	
Bendigo Bank	A2	TD	\$1,000,000.00	105	3.90%	20-Nov-13	
Bendigo Bank	A2	TD	\$2,000,000.00	99	3.60%	19-Dec-13	
Bendigo Bank	A2	TD	\$1,000,000.00	91	3.90%	07-Nov-13	
Bendigo Bank	A2	TD	\$2,000,000.00	112	3.75%	19-Dec-13	
Heritage Bank	A3	TD	\$2,000,000.00	97	4.15%	16-Oct-13	
ING Bank (Australia) Ltd	A1	TD	\$2,000,000.00	183	4.29%	28-Nov-13	
ING Bank (Australia) Ltd	A1	TD	\$2,000,000.00	126	3.60%	16-Jan-14	
Members Equity Bank	A2	TD	\$1,000,000.00	92	4.20%	03-Oct-13	
Members Equity Bank	A2	TD	\$2,000,000.00	84	4.10%	24-Oct-13	
Members Equity Bank	A2	TD	\$1,000,000.00	112	4.20%	02-Oct-13	
Members Equity Bank	A2	TD	\$1,000,000.00	119	3.93%	19-Dec-13	
Members Equity Bank	A2	TD	\$1,000,000.00	125	3.70%	29-Jan-14	
Members Equity Bank	A2	TD	\$2,000,000.00	90	4.20%	23-Oct-13	
Members Equity Bank	A2	TD	\$2,000,000.00	110	3.70%	23-Dec-13	
National Australia Bank	A1+	CRD	\$5,000,000.00	29	4.18%	08-Oct-13	08-Apr-14
National Australia Bank	A1+	CRD	\$3,000,000.00	30	3.88%	03-Oct-14	03-Mar-15
National Australia Bank	A1+	MATD	\$98,006.21	365	4.22%	30-Jun-14	
National Australia Bank	A1+	TD	\$2,000,000.00	91	4.01%	30-Oct-13	
National Australia Bank	A1+	TD	\$1,000,000.00	97	4.00%	06-Nov-13	
National Australia Bank	A1+	TD	\$4,000,000.00	173	4.19%	18-Dec-13	
National Australia Bank	A1+	TD	\$2,000,000.00	116	3.85%	23-Dec-13	
National Australia Bank	A1+	TD	\$4,000,000.00	91	4.07%	24-Oct-13	
National Australia Bank	A1+	TD	\$2,000,000.00	148	4.20%	28-Nov-13	
National Australia Bank	A1+	TD	\$2,000,000.00	91	3.90%	07-Nov-13	
National Australia Bank	A1+	TD	\$2,000,000.00	126	3.80%	30-Jan-14	
National Australia Bank	A1+	TD	\$2,000,000.00	105	3.85%	19-Dec-13	
National Australia Bank	A1+	TD	\$2,000,000.00	100	3.91%	14-Nov-13	
National Australia Bank	A1+	TD	\$1,000,000.00	103	3.85%	11-Dec-13	
National Australia Bank	A1+	TD	\$4,000,000.00	106	3.89%	05-Dec-13	
Newcastle Permanent Building Society	A2	TD	\$2,000,000.00	99	3.70%	19-Dec-13	
NSW Treasury Corp	A1+	TD	\$3,300,000.00	180	4.37%	01-Oct-13	
Police Credit Union Ltd (SA)	NR	TD	\$1,000,000.00	147	3.78%	22-Jan-14	
Rural Bank	A2	TD	\$2,000,000.00	96	4.32%	02-Oct-13	
Rural Bank	A2	TD	\$2,000,000.00	91	3.64%	19-Dec-13	
Rural Bank	A2	TD	\$2,000,000.00	125	3.75%	30-Jan-14	
Westpac Bank	A1+	TD	\$3,000,000.00	188	4.21%	02-Jan-14	
Westpac Bank	A1+	TD	\$3,000,000.00	104	4.18%	10-Oct-13	
Westpac Bank	A1+	TD	\$2,000,000.00	103	4.18%	09-Oct-13	
Westpac Bank	A1+	TD	\$2,000,000.00	105	4.05%	03-Oct-13	
Westpac Bank	A1+	TD	\$2,000,000.00	99	4.12%	24-Oct-13	
Westpac Bank	A1+	TD	\$4,000,000.00	105	4.13%	17-Oct-13	
Westpac Bank	A1+	TD	\$4,000,000.00	126	3.67%	16-Jan-14	
TOTAL DIRECT INVESTMENTS			\$117,398,006.21		3.95%		

MANAGED FUNDS	Rating	Inv Type	Carrying Value	Purchase Date	Monthly Return	Return over last 12 months
CDO Portfolio	C	CDO	\$2,723,696.91	Various	0.17%	2.04%
Macquarie Income Plus	AAAm	MF	\$1,602,798.60	17/08/2005	0.53%	6.34%
TOTAL MANAGED FUNDS			\$4,326,495.51		0.30%	3.63%
TOTAL INVESTMENTS			\$121,724,501.72			3.94%
Note:						
<i>CA At Call Account</i>		<i>CDO Collateralised Debt Obligation</i>			<i>FRSD Floating Rate Sub Debt</i>	
<i>MF Managed Fund</i>		<i>CRD Committed Rolling Deposit</i>			<i>FRN Floating Rate Note</i>	
<i>MATD Mayors Appeal Term Deposit</i>		<i>TD Term Deposit</i>				
The investments have been made in accordance with the Act, Regulations and the Council's Investment Policy.						
Russ Pigg General Manager						

FINANCIAL IMPLICATIONS:

It is important for Council to be informed in regard to its investment on a regular basis. Revenue from interest on investments forms a vital part of Council's revenue stream.

Craig Milburn
DIRECTOR OF CORPORATE AND COMMUNITY SERVICES

R.D Pigg
GENERAL MANAGER

REPORT OF GENERAL MANAGER

ORDINARY MEETING

TUESDAY, 22 OCTOBER 2013

ASSETS AND WORKS

33. 2013 ALGA National Local Roads and Transport Congress **File 4688E**

SECTION MANAGER: Martin Upitis.

PURPOSE: Delivery Program Activity: 4.2.1.3

To consider the attendance of Councillors at the 2013 ALGA National Local Roads and Transport Congress.

RECOMMENDED that

- a) Council notes the details of the forthcoming 2013 ALGA National Local Roads and Transport Congress from 12 - 14 November 2013;
- b) Council authorises available Councillors to attend the congress and such attendance be deemed Council business;
- c) Council meets the travel, registration fees, accommodation and all reasonable out-of-pocket expenses in accordance with its adopted policy; and
- d) Councillors attending the congress provide a written report within 30 days of returning from the congress.

OPTIONS

1. As recommended.
2. Council limits the number of Councillors attending the congress (determined by Council) and such attendance be deemed Council business.
3. Council does not approve Councillor attendance at the congress as Council business.

DETAILS

An invitation has been extended to Shoalhaven Councillors to attend the following conference relevant to Local Government:

- 2013 ALGA national Local Roads and Transport Congress

12 - 14 November 2013
Alice Springs Convention Centre, Northern Territory

With the new Federal Government in place, the congress will review the current roads and transport strategy and highlight on commitments made during the campaign, including regional airports and bridge renewal. Councillors will be able to discover how the Federal Government will be working with local government to build infrastructure across Australia including a \$300 million bridge renewal program.

The State of the Local Road Assets Report 2013 will be launched during the congress which will give local government the data it needs to highlight gaps and best direct future activity.

FINANCIAL IMPLICATIONS:

Costs associated with the congress are estimated at approximately \$2,300 per attendee (Registration \$945; and travel, accommodation and out of pocket expenses approximately \$1,355).

Ben Stewart
DIRECTOR, ASSETS AND WORKS

R.D Pigg
GENERAL MANAGER

REPORT OF GENERAL MANAGER

ORDINARY MEETING

TUESDAY, 22 OCTOBER 2013

PLANNING AND DEVELOPMENT

34. Coal Seam Gas Strategic Regional Land Use Policy and Exclusion Zones

File 43091E

SECTION MANAGER: Gordon Clark

PURPOSE: Delivery Program Activity: 2.1.1.9

To advise Council of the release of various controls related to coal seam gas and the exhibition of mapping of valuable farming land by the Department of Planning and Infrastructure (with regard to Coal Seam Gas) and the under-representation of valuable agricultural land within Shoalhaven.

This matter is reported straight to Council for consideration given the need to provide comment by 8 November 2013.

RECOMMENDED that Council make a submission to the Department of Planning and Infrastructure regarding:

- a) The under representation of agricultural land in the Shoalhaven Local Government Area on the 'Biophysical Strategic Agricultural Land Map;
- b) The short timeframe for response which compromises the likelihood of meaningful consultation

OPTIONS

1. Make a submission to the Department of Planning regarding the under representation of high value agricultural land in the Shoalhaven Local Government Area and the short timeframe provided to respond.
2. Accept the exhibited maps as a true representation of prime agricultural land in Shoalhaven and do not make a submission.

DETAILS

The NSW Government announced a range of legislative changes on 3 October 2013. These include:

- Coal Seam Gas (CSG) Exclusion Zones

-
- State-wide Mapping: Biophysical Strategic Agricultural Land
 - Critical Industry Clusters (equine and viticulture)
 - Gateway panel and proves

The attached media release (**Attachment 'A'**) from the relevant Ministers provides further detail in this regard as does the NSW Government brochure "getting the Balance Right: NSW Land Use" (**Attachment 'B'**).

The exclusion of existing residential zones across the State was advertised in March/April 2013 and came into force on 4 October 2013 when amendments to the Mining SEPP were notified. Feedback is now sought on mapping of additional coal seam gas exclusion zones, with comment due 8 November 2013 (see **Attachment 'C'**).

The aim of the Strategic Regional Land Use Policy is to better manage conflicts arising from the proximity of mining and coal seam gas (CSG) activity to high quality agricultural land and water resources.

In an effort to protect the most valuable farming land, the NSW Department of Planning and Infrastructure has released mapping for comment of biophysical strategic agricultural land (BSAL). The results of this mapping exercise are available for the entire State at <http://www.planning.nsw.gov.au/biophysical-strategic-agricultural-land-mapping> Land ultimately identified as BSAL will trigger an up-front impact assessment.

Any State significant mining or CSG proposal on BSAL has to go through an additional level of scrutiny via a "Gateway" process. Six members have been appointed to the Gateway panel, which will provide an independent, scientific assessment of major resources projects on BSAL.

The BSAL mapping for our area appears to be generally representative of areas where Class 1-3 Agricultural Land is known to occur in Shoalhaven. However, there is a distinct under-representation surrounding Milton, Sassafras, on the Berry flood plain and to the north of Berry (see **Attachment 'D'**). This means that these areas are possibly not adequately protected from mining activities and would not be subject to up front impact assessment.

The BSAL mapping is part of the package that is on public exhibition until 9 November 2013. Once this exhibition concludes and community and stakeholder submissions have been assessed, the BSAL maps will be given legal effect through an amendment to the *State Environmental Planning Policy (Mining, Petroleum Production and Extractive Industries) 2007* (Mining SEPP).

It is noted in a Ministerial Media Release that the mapping will ultimately be incorporated into the new Regional Growth Plan for the South Coast.

Previous Issues Raised

On 26 October 2012 Council resolved to "*Write to Industry & Investment NSW expressing concerns about agricultural land in Shoalhaven being available for mining, and request more consultation and notification regarding the renewal of exploration licences.*"

Council subsequently resolved on 23 April 2013 to:

- a) *Write to the Premier, Mr Barry O'Farrell to express support for the following:*
 - i. *A freeze on CSG exploration and mining;*
 - ii. *An inquiry into the impacts of CSG development;*
 - iii. *A ban on fracking; and*
 - iv. *A ban on CSG development in drinking water catchments, all urban zones and on prime agriculture land;*
- b) *Call on the NSW State Government to voluntarily exclude the Shoalhaven from coal seam mining exploration and revoke the recent renewal of PEL 469 to Leichardt Resources / Planet Gas as they failed to meet the condition of the license.*

In response the Executive Director of NSW Mineral Resources outlined the range of protection measures that would be introduced. Unfortunately, adequate protection of productive agricultural land and sensitive environmental areas is still not assumed. The new controls do however ban the use of dangerous chemicals used in the hydraulic fracturing process and strengthen the protection of aquifers.

- # The recent changes have exempted all land within a residential zone from coal seam gas exploration and implemented a 2 kilometre buffer. It is also proposed to apply the exemption and buffer to "future residential growth areas" (see **Attachment 'E'**). The draft exclusion maps also cover some land on the Comberton Grange property.

Whilst it is clear that assessment processes are improving, proposals for coal seam gas projects will still be accepted on areas that Council and the community could deem inappropriate.

Petroleum Exploration Licence (PEL) 469 which applies to a large part of the northern Shoalhaven will not be revoked, but additional conditions at the time of renewal require relinquishment of at least 25% of the area held by April 2014.

FINANCIAL IMPLICATIONS

No direct financial impacts for Council at this time.

COMMUNITY ENGAGEMENT

Council has not undertaken any community engagement on this issue. However, Council has have reflected the views of the community through previous submissions and by uniting with surrounding Councils who also oppose coal seam gas extraction on valuable agricultural land and near water resources.

The DP&I are currently undertaking community consultation on this important issue. However, it is noted that the comment period is short and possibly not appropriate for an issue of this nature.

35. Proposed draft Planning Agreement for 190-198 Princes Highway, South Nowra
File 47970E

SECTION MANAGER: Robert Russell, Gordon Clark

PURPOSE: Delivery Program Activity: 4.4.3.2

To seek 'in-principle' support to commence the process of entering into a proposed draft Planning Agreement (PA) with the owner of 190-198 Princes Highway, South Nowra.

Note: This matter is reported direct to Council given the need to obtain direction in this regard following the lodgement of a development application for the site for Masters Hardware store, service station, fast food outlet and two bulky goods tenancies.

RECOMMENDED that Council:

- a) **Provide 'in-principle' support to enter into a proposed draft Planning Agreement with the owner of 190-198 Princes Highway, South Nowra.**
- b) **Receive a report on the draft Planning Agreement for 190-198 Princes Highway, South Nowra prior to its public exhibition.**
- c) **Review the design of the South Nowra Service Road (Contributions Project 01ROAD3104) to be consistent with the Service Lane layout proposed in the draft Planning Agreement for 190-198 Princes Highway, South Nowra.**

OPTIONS

- 1. Endorse the recommendations of this report. This will allow Council staff to negotiate a draft Planning Agreement with the owner of 190-198 Princes Highway, South Nowra and commence amending the related contributions project (01ROAD3104).
- 2. Make amendments to the recommendations of this report. This may involve Council determining not to enter into a Proposed Planning Agreement with the owner 190-198 Princes Highway, South Nowra or not amending the related contributions project (01ROAD3104).

DETAILS

Background

Subject land / proposed development

Council has been requested by representatives of the owner/developer of 190-198 Princes Highway, South Nowra (vacant land to the east of Central Avenue roundabout) to consider entering into a Planning Agreement (PA). This owner/developer is proposing to build a Masters Home Improvement Centre, Fast food outlet, service station and two bulky goods tenancies on the subject land. The development application was formally lodged with Council on 9 October 2013 (DA13/2064). This proposed development has a

project value of \$12,117,250 and has associated employment opportunities for Shoalhaven residents.

A location map of this land is shown as **Attachment 'A'**.

Proposed PA basis

The basis of the proposed PA is to dedicate land to Council with part road construction which provides a link to the proposed South Nowra Service Road – as identified in Council's Contributions Plan. This is to be done in lieu of paying any Development Contributions related to the development. Part road construction is proposed to meet development consent requirements and additional road construction and land dedication will be needed in the future to complete the proposed service road as identified in Council's Contribution Plan. The value of the land dedication and part road construction is estimated at \$1.5 million (approximately \$1m land / \$500k road works).

Estimated Development Contributions

To date, Council staff have only reviewed concept plans for the development proposed on the subject land and estimated the development contributions payable to Council are in the vicinity of \$1.5 million. These contributions are predominately associated with road improvements in this area as well as levies related to fire service provision and contribution management costs.

A more accurate calculation of development contributions for the proposed development will be provided to Council as part of any report on a draft PA prior to its public exhibition.

South Nowra Service Road project

Since 1993 Council has identified in its Contributions Plan the need to construct a service road to the east of Princes Highway between Quinns Lane and Old Southern Road to provide rear access and to facilitate development of the adjacent Industrial 4(c) zoned land (Draft SLEP 2013 – B5 Business Development Zoning). A plan of the South Nowra Service Road (identified as contributions project 01ROAD3104) is provided as **Attachment 'B'**.

However, since including the concept plan in the Contributions Plan, the design of the service road has been modified to take advantage of vehicle access from the Princes Highway / Central Avenue roundabout and to link to Warra Warra Road (see **Attachment 'C'**). To date the modified design has not been included in the Contributions Plan. Therefore, it is recommended that Council also review the design of the South Nowra Service Road (Contributions Project 01ROAD3104) to be consistent with the modified design and the service lane proposed in the proposed draft PA for 190-198 Princes Highway, South Nowra.

Proposed PA offer

An initial review of the proposed PA offer to Council indicates it is a reasonable offer for Council to consider as the value of land and road works equates to the approximate total contributions payable to Council. However, should the value of the land and road work significantly decrease (i.e. lesser land area, reduced road works) the offer may become less attractive for Council to consider.

It should be noted that the land dedication and associated road works value in the proposed PA for the South Nowra Service Road project is a higher contribution than if

this development paid only the relevant contributions for this project. Therefore accepting this offer will result in an estimated shortfall of \$272,000 in contributions that would normally have been received for fire service provision and contribution management costs. This contributions shortfall is not considered to be an overriding consideration given the significance to Council of advancing the construction of the service road (which Council could have been required to fund upfront) and the associated employment opportunities the development provides.

As per Council's PA policy, the developer / landowner of the subject land is responsible for all costs associated with drafting the PA. However, Council staff will be required to review information and to facilitate public exhibition of the draft PA.

Implication of Council not progressing with entering into a proposed PA

Council has the option to decline the offer to enter into a proposed PA. However, a decision not to enter into in the PA may affect the economic viability of the proposed development and make it less feasible.

Public Exhibition of the draft Voluntary Planning Agreement

If Council resolves 'in-principle' support to enter into a proposed PA, the draft Agreement is required under the *Environmental Planning & Assessment Act* to be placed on public exhibition. The draft PA will therefore be reported to Council when complete for authority to place on public exhibition.

FINANCIAL IMPLICATIONS:

If Council resolves 'in-principle' support to enter into a proposed draft PA with the owner of 190-198 Princes Highway, South Nowra, Council staff resources will be required to review information and to facilitate public exhibition of the draft PA.

The shortfall of contributions to be collected for fire service provision and contribution management costs is estimate to be \$272,000. However this shortfall will relieve Council's potential requirement to fund upfront advancement of the service road project for adjacent development to benefit. Such project advancement would have associated costs for Council to provide the infrastructure in advance of collecting associated contributions.

COMMUNITY ENGAGEMENT:

Community Engagement will be undertaken as the process advances through the public exhibition of the draft PA and the associated reporting of the draft PA to Council.

Warwick Papworth

ACTING DIRECTOR PLANNING & DEVELOPMENT SERVICES

R.D Pigg

GENERAL MANAGER

NOTICES OF MOTION

ORDINARY MEETING

TUESDAY, 22 OCTOBER, 2013

36. Amendment of DCP 91

File

The following Notice of Motion of which due notice has been given, is submitted for Council's consideration:

That Staff prepare an amendment for DCP 91 removing the 70sqm limitation in respect of Garages on Lots of 1h and over and place the amendment on exhibition prior to the matter being reported to Council for adoption, and if necessary amend the complying development provisions.

Background:

At the present most garage application in rural areas exceed the 70sqm limit and when seeking approval it is necessary for the applicant to provide justification for the departure from the standard, this normally requires the employment of a consultant which adds significantly to the cost of the development.

In some circumstances large garages can be constructed under the SEPP in rural areas as complying development which leads to double standards being applied on similar properties.

Signed
Clr Watson

Note by General Manager:

This situation has been identified to be corrected in the Draft Single DCP and in the meantime Senior Building Surveyors have been delegated authority to approve garages in Rural areas up to 140 square metres and larger proposals will be considered by Senior Staff. It has not been the practice to require consultants reports in such instances but simply some comment from the applicant on any amenity impact on adjoining properties.

These restrictions only apply to garages associated with a dwelling on the land and not to rural sheds, which in most cases can be built up to 200 square metres in size as exempt development.

37. Tomerong Community Infrastructure Planning

File

The following Notice of Motion of which due notice has been given, is submitted for Council's consideration:

That Council prepare a master plan / place making plan with the residents of Tomerong and that funding be allocated for this project for the upcoming budget year (2014/2015).

Background

Tomerong residents are very concerned that appropriate planning is not taking place for their small village. There are a number of subdivisions that are active / approved and yield approximately 146 lots. Tomerong residents are concerned that the non-existence of an infrastructure plan will result in a non-strategic / haphazard approach to infrastructure delivery and they are seeking the opportunity to work with Council on a plan to prioritise their needs. The following dot points were presented to me and I find them compelling:

- We have no community land to speak off, no public toilets, minimal footpaths only in front of shop and school and four (4) houses;
- There is no infrastructure planning in place for Tomerong;
- There has been little or no upgrade of facilities in Tomerong over the last fifteen (15) years;
- We have minimal kerb and gutter [less than 6%] on Hawken Road and an open drainage system;
- We have a mailing list of nearly 500 residents;
- We have a real fear that unless something is done urgently, the town will be built out without any infrastructure planning;
- Integral Energy offered Council a 900m² site close to village centre on Pine Forrest Road two (2) years ago and Council turned it down;
- This could of made a great area for an outdoor gym, public toilets, seats and water bubblers as a large number of cyclist and walkers traverse pass this site; and
- The Forum, in consultation with the community, is happy to work with Council on this matter.

Signed
Clr Findley

Note by General Manager:

Community Driven Planning is an emerging concept within Council. A Citywide approach is currently being determined to establish the level of assistance / resources that can be provided to the community. It is essential that a coordinated approach is applied and that there is consistency across the City. Council also needs to consider the priority locations for such a planning process.

At this time, Council does not currently have the resources to run the planning process for the Tomerong community. The plan needs to be community driven and led by the CCB. Guidance can be provided by Council to assist the community in understanding

the process and the required steps that would be involved in preparing a "Community Strategic / Driven Plan" (place-making plan), in accordance with other similar processes occurring throughout the City.

Funding has not been provided to communities to complete these plans in the past. The coordination of workshops, preparation of plans and community consultation has been undertaken by the community, with some staff and Councillor assistance. There are a number of other communities interested in undertaking this process and Council needs to consider the precedent set, if proposing to fund the completion of such a plan for Tomerong. In previous cases, funding has only be allocated following the adoption of the Community Strategic Plan by Council.

Some infrastructure planning can occur as part of the normal renewal timetable for existing facilities within Tomerong, however additional projects and works would be best identified through a coordinated community planning approach, led by community members, as has occurred in other locations.

38. Requests on Behalf of Sanctuary Point Community Pride CCB File

The following Notice of Motion of which due notice has been given, is submitted for Council's consideration:

That Council address the following issues before the 2014 Spring in to Sanctuary Point festival on behalf of the Sanctuary Point Community Pride Group:

a) Power outlets on Francis Ryan Reserve:

There are only three power points available for use by events such as Spring into Sanctuary Point, all located in the amenities block. It would greatly assist organisations if additional power outlets could be provided around the oval, perhaps on the existing light poles. This would not only increase the potential scope of future events but would also alleviate possible safety hazards;

b) Obsolete signage:

Some years ago an Information Bay was removed from the corner of Larmer Avenue and Sanctuary Point Road, but signs directing visitors to this bay still remain. These are located opposite 161 Larmer Avenue and adjacent to 105 Paradise Beach Road;

c) Flood Warning:

At the corner of Mountain Street and Larmer Avenue is a sign warning that the road is subject to flooding and that "Indicators show depth". There are no indicators showing depth; and

d) Bonds:

Prior to allowing Spring into Sanctuary Point to be held on Francis Ryan Reserve, Shoalhaven City Council required a bond of \$300 to be paid to cover any damage to the oval. But for the co-operation of Sanctuary Point Men's Shed, who paid the bond on behalf of the Group, this very successful

event may well have been cancelled because Sanctuary Point Community Pride did not have the required \$300. Could some consideration be given by Council to assisting not for profit organisations in their endeavours to provide events which benefit the community.

Background:

The Spring into Sanctuary Point Festival attracted over 1,000 people this year and it is hoped that this event will continue to grow.

Many residents put a lot of hard work into making it happen in an effort to build community pride in Sanctuary Point.

These individuals and the community at large should be supported in their endeavours through the above reasonable requests.

Signed
Clr Tribe

Note by General Manager:

The obsolete directional signage and missing flood indicators have been referred to the maintenance crews for attention.

Council's Fee Support Policy – Council Managed Public Reserves & Facilities (POL12/282) provides a criteria for fees to be waived and this is available to not for profit organisations, charities and community groups that host public events in Council reserves. However, item 3.6 of the policy states that bond waivers will not be considered. A proposal to waive a bond would need to be considered by the Council.

The provision of additional power points in Francis Ryan Reserve will be investigated by staff.

QUESTIONS ON NOTICE

ORDINARY MEETING

TUESDAY, 22 OCTOBER, 2013

39. Sale of Impounded Vehicle **File**

Can the General Manager please advise what steps have been taken to recover the funds that would rightfully been paid to Council if the sale of the excavator had have taken its natural course.

If no actions have been taken to recover the funds, can the General Manager please provide the rationale for this decision?

Submitted by Cllr Findley

Response

The matter relates to the sale of an impounded machine in July, 2010 following the calling for quotations in the local paper. Council was provided with a report on the matter in August, 2012 following a Council resolution in July, 2012. Council resolved to receive the report "for information" in August, 2012. A copy of the report is in the Councillors Information Folder.

The impounding officer, in April 2010, recorded an estimated value of the vehicle as \$5,000 (document D10/89252). The vehicle was sold for \$5,070.

The vehicle was never owned by Council, however Council had a legal right to sell the impounded vehicle and retain the proceeds as it was not claimed by any person having a legal interest or ownership.

Advice from our Legal Services staff at the time indicated Council had no legal ability to enter the purchaser's property to seize the machine once it had been sold. On the basis of the above and matters referred to in the August, 2012 report and Council's decision to "receive" the report, no further action has been taken.

40. Temporary Flood Barrier Control Systems **File**

Does the Shoalhaven City Council have in its resources some temporary flood barrier control systems?

If so, would the Shoalhaven City Council consider allocating these temporary flood barriers to the local SES units for deployment during imminent flash flood emergencies for the purpose of temporarily protecting businesses, houses and other property from possible flash flood damage? (e.g. Rowans Arcade Ulladulla and other hot spots).

If not, would the Shoalhaven City Council consider purchasing some temporary flood barriers for use during flash flooding incidents?

More information www.bulbeckenvirosolutions.com.au.

Submitted by Cllr Mark Kitchener

Response

Council does not hold any proprietary temporary flooding barriers as they are not required for normal operations. The SES is the 'combat agency' for flooding and the Local SES Controller has advised that the barrier system suggested has been forwarded to the SES State Headquarters for its assessment and possible future use.

The use of temporary flood barrier system as a risk management tool during flash floods is usually assessed as part of floodplain risk management process. At this stage Council's flood risk management studies and plans do not recommend the use of such structures.

These structures take time to deploy and require man labour to properly put in place, the warning time associated with flash floods and human resources are generally not sufficient to allow the placement of these structures at a neighbourhood or catchment scale.

However residents and business potentially affected by flooding are encouraged to consider the use of temporary flood barrier systems during the preparation of their business flood safe plan or home flood safe plan. Information on how to prepare these plans are available on the SES website
<http://www.ses.nsw.gov.au/communitysafety/floodsafe/>

CONFIDENTIAL BUSINESS PAPER AGENDA

GENERAL MANAGER – COMMITTEES REPORT

DEVELOPMENT COMMITTEE – TUESDAY 9 OCTOBER, 2013

1. Adoption of Caravan Parks in Flood Prone Areas Policy DCP 123 LAP

Reason

Section 10A(2)(g) – Advice concerning litigation, or advice that would otherwise be privileged from production in legal proceedings on the ground of legal professional privilege.

It is not in the public interest to disclose this information as it is advice that would otherwise be privileged from production in legal proceedings on the ground of legal professional privilege.

2. Development Application to Demolish Existing Building and Construct a Three Storey Office Building at 73 and 75 North St, Nowra – Lot 42 and 43 DP1607. Applicant / Owner: James Caldwell

Reason

Section 10A(2)(c) – Information that would if disclosed confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business.

It is not in the public interest to disclose this information as it would if disclosed confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business.

POLICY AND RESOURCES COMMITTEE – TUESDAY 8 OCTOBER, 2013

3. Tender Process – Matron Porter Water Main Replacement

Reason

Section 10(A)(2)(d)(i) – Commercial information of a confidential nature that would if disclosed prejudice the commercial position of the person who supplied it.

It is not in the public interest to disclose this information as it may impact on the ability of Council to attract competitive tenders in the future.

COUNCIL PROPERTY STEERING COMMITTEE – TUESDAY 9 OCTOBER 2013

4. Request to Acquire Land at 77 Princes Street Berry

Reason

Section 10(A)(2)(c) – Information that would if disclosed confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business.

It is not in the public interest to disclose this information as it may prejudice Council's commercial position with land dealings.

CORPORATE AND COMMUNITY SERVICES

5. Carrier Tender – Supply of ICT Services

Reason

Section 10A(2)(d)(i) – Commercial information of a confidential nature that would if disclosed prejudice the commercial position of the person who supplied it.

It is not in the public interest to disclose this information as it may impact on the ability of Council to attract competitive tenders in the future.

Pursuant to Section 10A(4) the public will be invited to make representation to the Council meeting before any part of the meeting is closed, as to whether that part of the meeting should be closed.

REPORT OF GENERAL MANAGER

ORDINARY MEETING

TUESDAY, 22 OCTOBER 2013

ASSETS AND WORKS

1. **Proposed Closure of Unformed Council Road with Lots 1 and 2 DP 1038647, Tannery Road and Agars Lane Berry** **File 45813e**
-

SECTION MANAGER: Mike Harben

PURPOSE: Delivery Program Activity: 4.4.6.7

To seek a resolution of Council to advise Crown Lands that it no longer opposes the closure of the Council Roads within Lots 1 & 2 DP 1038647. MIN13.877 dated 3 September 2013 resolved to object to the closing of the road.

RECOMMENDED that:

- a) **Council resolves to advise the Crown Lands Division of the Department of Primary Industries that Council does not object to the advertised closure of the unformed Council Public Road within Lots 1 and 2 DP 1038647; and**
- b) **Council Resolves to continue discussion with Berry Rotary Club to progress its proposed cycle/walking track linking Tannery Road with Moeyan Road.**

OPTIONS

- 1. **(Recommended).** Resolve in accordance with the recommendation.
- 2. **(Not Recommended).** Not resolve as recommended and leave MIN13.877 as Councils adopted position in relation to the road closing i.e. Council does not support the road closing within Lots 1 & 2 DP 1038647.
- 3. Provide further direction to staff and propose an alternative.

DETAILS

Background:

As a result of Berry Rotary Club making contact with Council advising of its proposal to establish a cycle/walkway circuit on the southern side of Berry providing a loop along the Princes Highway, Tannery Road, Moeyan Road, Wharf Road and Prince Alfred Street a

report was prepared to Council. The report, to the August Property Steering Committee, recommended that Council object to the closing of the Council road that passes through lots 1 and 2 DP 1038647, as then currently advertised by Crown Lands, pending further progress reports. Further reports were recommended as it was necessary to report the matter quickly as to fail to do so may have meant that the opportunity to oppose the closure was lost and the circuit proposal jeopardised as the Council roads could not be utilised as part of the circuit.

In accordance with the report's recommendations, by MIN13.877 Council resolved on 3rd of September 2013 as follows:

- "a) Council resolves to advise the Crown Lands Division of the Department of Primary Industries that Council objects to the advertised closure of the unformed Council Public Road within Lots 1 and 2 DP 1038647, in light of the cycle/pathway proposed by the Berry Rotary Club;*
- b) Council continue discussion with Berry Rotary Club to progress its proposed cycle/walking track linking Tannery Road with Moeyan Road; and*
- c) Council resolves to receive further progress reports on the cycle/walking tracks proposed by Berry Rotary Club with the view to considering whether Council supports all or part of the proposed road closures within Lots 1 and 2 DP 1038647."*

Current Situation:

Discussions with Berry Rotary Club following the Council resolution of 3rd September have resulted in the Club advising Council in writing that it has no concerns if Council withdraws its objection to the advertised road closing.

Staff have been advised that the Club has made arrangements with property owners adjoining the roads proposed to be closed to provide for access that facilitates an alternate route utilising Borrowdale Close and an adjacent Council Reserve. Council has not been a party to these arrangements however it is understood that they involve land being transferred to Council for purposes of the circuit.

Further reports to Council are contemplated as discussions advance with the Berry Rotary Club and the owners of the land that provide access to the alternate route via Borrowdale Close and details of the circuit become known. Staff from the Traffic Unit have met with Members of the Rotary Club.

This report has been prepared on the information available to date so as to facilitate the road closing process with Crown Lands which has been commenced upon the application of the owner of lot 2 DP 1038647 who is constructing a dwelling house adjacent to the road. In this regard it should be noted that Council previously resolved to support the closing of the road.

Attachment A shows the location of the road advertised for Closure in relation to Lots 1 and 2 DP 1038647.

FINANCIAL IMPLICATIONS:

The alternate circuit route proposed by the Rotary Club contemplates property coming into Council ownership. No discussions or negotiations have taken place directly between Council staff and the property owners and therefore the financial implications, if any, are not known. Council has given no commitments to the property owners.

The Rotary Club have informally advised that they will attend to the costs associated with the construction of the circuit.

As the circuit is at a planning stage further details of the financial implications, if any, will need to be reported to Council.

COMMUNITY ENGAGEMENT:

The proposed action is administrative and has no environmental impact.

This matter is considered to be a local area low impact issue as outlined in Council's Community Engagement Policy and Handbook and therefore there has been no broad community engagement. Communication has taken place with the owner of Lot 2 DP 1038647 who has made application for the road closing and the Berry Rotary Club.

It should be noted that the road closing process is a process undertaken by Crown Lands that entails public advertising and the calling for submissions before Crown Lands makes a final determination to close roads.

Ben Stewart
DIRECTOR, ASSETS AND WORKS

R.D Pigg
GENERAL MANAGER

ADDENDUM REPORT OF GENERAL MANAGER

ORDINARY MEETING

TUESDAY, 22 OCTOBER 2013

PLANNING AND DEVELOPMENT

2. **Development Application to change use of a large room in a medical Centre from Consulting Rooms to Pharmacy at Lot 100 DP 1145297, 53 Isa Road, Worrigee. Applicant: Lee Carmichael Town Planning Owner: Liam Holdings Pty Ltd.**

File: DA13/1750

SECTION MANAGER: Robert Russell

Delivery Program Activity: 5.1.2.14

Assess and determine applications for all forms of development within the legal planning framework & Council Policy.

PURPOSE: The purpose of this report is to seek direction from Council in regard to a proposed substantive variation to Council's Car Parking Policy – DCP18. The report has been prepared as an addendum to the ordinary meeting as the applicant has indicated that their application for a pharmacy with the relevant authority has to be accompanied a development consent and they have a deadline of the end of October otherwise they cannot proceed.

RECOMMENDED that Council resolve to not support the application for the change of use of the consulting rooms to a pharmacy as the medical centre cannot provide its parking needs within the subject land in accordance with DCP18 – Car Parking Code.

OPTIONS

1. Not support the application for the change of use of the consulting rooms to a pharmacy as the medical centre cannot contain its parking needs within the subject land.

Implications:

The rooms will continue to be used as consulting rooms with further discussions required with the property owner to resolve the unauthorised alterations and change in use of rooms that have generated an increased demand for parking as per DCP 18 – Car Parking Code.

2. Support the application for the change of use to a pharmacy and support the new internal floor usage as submitted on 14 October 2013.

Implications:

Additional medical/pharmaceutical services will be provided to the Worrigeer/East Nowra community. The proposal may lessen the viability of the proposed shopping centre as two pharmacies in such close proximity is unlikely to be permitted by the Pharmaceutical Guild. The already significant amount of on street parking could grow until the shopping centre is developed and once developed, overflow car parking will impact on its car parking facilities.

DETAILS**Proposal**

A development application was received on 18 July 2013 for the change of use of two consulting rooms in an existing medical centre to a pharmacy. The pharmacy is proposed to operate within the hours of the medical centre and to be mostly used by patients of the medical centre. The submitted partial floor plans identified four rooms previously approved as store rooms being used as consulting rooms. When questioned, the applicant stated the floor plan was submitted in error and a revised partial floor plan was submitted on 6 August showing the floor plan as approved by DA10/1688. A site inspection on 13 August identified that the store rooms were actually being used as consulting rooms as originally identified in the submitted floor plan. The inspection also identified additional rooms in the original building that had also been changed to consulting rooms and internal building alterations undertaken without consent.

Background

The following applications have been previously approved on the subject site:

- DA06/2353 approved on 4 September 2006 for professional consulting rooms for three Doctors with parking on site for 9 cars.
- DA09/1631 approved on 25 June 2009 for extension to professional consulting rooms, no additional car spaces required by DCP18 – Car Parking Code.
- DA10/1688 submitted for alterations and additions to the professional consulting rooms to create a medical centre. The resultant medical centre to contain 12 consulting rooms for general practice, mental health, paediatric and surgical services, a pathology/laboratory with collection services, 7 storage rooms and ancillary facilities (i.e. toilets, kitchen area). An additional 348m² of floor space proposed resulting in a total floor area of 643m². The proposal included the provision of an additional 13 car spaces to provide a total of 22 car spaces for the overall development.

The assessment under DCP18 – Car Parking Code for a medical centre calculated the demand at 32 spaces (1 space per 24m²). The applicant argued that as the land was not zoned commercial therefore the medical centre definition did not apply and the proposal should be calculated at 1 car space per 40m² instead of the medical centre requirement

of 1 space per 24m² and that the 7 storage rooms should be excluded from the car parking calculation.

The matter was reported to Council on 14 September 2010, Council resolved to; *“support the applicant’s request based on the provision of 22 car spaces notwithstanding that the development is defined as a medical centre in the DCP, on the basis of the site characteristics and the demonstrated social need in this location”*.

The application was approved on 13 October 2010.

Issue

While the change in use of two consulting rooms to a pharmacy does not change the car parking calculation under DCP18 it does generate an additional demand for parking by providing a pharmacy that people who aren’t patients of the medical centre can use and by increasing the length of time that patients will be at the medical centre. The change of use of the store rooms to consulting rooms has increased the demand for parking at the medical centre from that assessed and approved by Council under DA10/1688. This is because the storerooms were originally excluded from the car parking calculation as the applicant argued they do not generate a demand for parking. While this may be true, the change of these rooms to consulting rooms and blood collection rooms increases the parking requirement by 2 car spaces and increases actual demand as they permit additional services to be provided for additional patients. Site inspections undertaken on 1 August and 13 August identified that the car park is consistently full with 20-22 additional cars parking on the road reserve opposite the medical centre. It appears that patients are using the on-site car park with staff parking on the road reserve. There is no ability to provide additional car parking on site.

- # The applicant submitted a further floor plan on 14 October 2013 identifying the uses of the rooms of the whole medical centre including a statement detailing why the application should be supported. Please refer to **Attachment**.

Applicant’s position

The applicant contends that the application should be approved for the following reasons:

- *The addition to create the medical centre was reported to the elected Council and the subsequent resolution of Council to support the application indicates that Council was of a view that 22 car spaces was sufficient for the development.*
- *The nine changes detailed on the revised floor plan are or will be of no consequence to car parking demands as a number of rooms do not generate parking demand (e.g. laundry, nurses room, telephone room, meeting) or do not generate any additional demand (e.g. isolation room, additional consulting rooms).*
- *The pharmacy should not generate significantly more demand for parking than an additional two medical professionals working from the building. It is expected that around 80% of the trade of the pharmacy will come from existing patients who will be attending the medical centre anyway.*

Comment

It is anticipated that the proposed pharmacy will increase the demand for parking as it will allow people who are not patients of the medical centre to get prescriptions filled and purchase other non-prescription items without having to travel to East Nowra, South Nowra or central Nowra where other pharmacists are located.

Car parking for the development currently does not meet the requirements of DCP18 and the pharmacy will generate additional casual demand.

It must also be noted that a neighbourhood shopping centre has been approved on land directly across the road from the medical centre. While the centre has not been constructed the consent has been activated by site works, however, the development has not proceeded further. The development of a pharmacy in the medical centre will make it difficult to include a pharmacy /chemist in the shopping centre.

FINANCIAL IMPLICATIONS

The provision of a pharmacy in the medical centre may affect the viability of the proposed shopping centre as a pharmacy/chemist would likely be a significant tenant. Having a pharmacy located in the Worrigee area will be a saving to local residents in avoiding the need to separately travel to Nowra, East Nowra Shopping Centre or further afield.

COMMUNITY ENGAGEMENT

The application was notified in accordance with Council's Community Consultation Policy and four objections were received. The objections raised the following issues:

- Impact the pharmacy may have on the proposed shopping centre as a pharmacy is proposed within the shopping centre;
- Car parking already overflows onto Isa Road and the pharmacy will only increase the traffic issues by attracting additional people to the site;
- The original application for the medical centre provided inadequate parking and did not comply with DCP18 – Car Parking Code. The subsequent change in rooms to consulting rooms and the pharmacy requires additional spaces be provided.
- The construction of the shopping centre requires “no stopping” signs to be installed on the southern side of Isa Rd where the overflow vehicles from the medical centre are currently parking. This will further increase parking problems in the street.
- Patients will need to wait at the medical centre while prescriptions are being filled which will increase the length of stay at the site, increasing the length of time a parking space is being utilised resulting in an increased demand for parking.

- The proposal would be prohibited under SLEP2013 as the proposed R2 Residential zone does not permit retail premises.

CONCLUSION

Council has previously endorsed the medical centre with inadequate parking (indicated by the daily practice of up to 22 cars parking on the opposite road reserve) and this proposal will increase parking demand. The change in use of the storerooms generates a requirement for an additional two car spaces however the site has no further capacity to provide additional car spaces. In the long term, the overspill of cars will impact upon the parking provided by the shopping centre developer, who is opposed to this application. The timeframe for development of this shopping centre is unknown and any support for this application must be made with the recognition of these external effects to local traffic and the future shopping centre.

Warwick Papworth

ACTING DIRECTOR PLANNING & DEVELOPMENT

R.D Pigg

GENERAL MANAGER

ADDENDUM REPORT OF GENERAL MANAGER

ORDINARY MEETING

TUESDAY, 22 OCTOBER 2013

ASSETS AND WORKS / CORPORATE AND COMMUNITY SERVICES

1. Nowra Pool - Status Update File 3075E, 30050E

SECTION MANAGERS: Cliff Harris & Jane Lewis

PURPOSE: Delivery Program Activity: 5.1.2.15

To provide Council with a status update on the redevelopment of the Nowra Pool.

RECOMMENDED that Council receive the report for information.

OPTIONS

1. Council adopt the recommendation as printed.
2. Council reject the recommendation and provide an alternate.

DETAILS

This report provides Council with the current status of tender construction timeframes and discusses key design issues.

The list of attachments is as follows:

Attachment A – History consisting of Nowra Pool Council resolutions and minutes assembled in chronological order.

Attachment B – Heating Design Option Report

Attachment C – Engineers Design Option Report

Attachment D – Project Governance

Operational Update – Existing Pool

Given the construction and tender program milestones and, as advised in the attachment (D13/69999) to “*Nowra Pool Upgrade - Finalisation of Design and Estimate of Cost*” report of the General Manager (Strategic Planning and Infrastructure) to Nowra Pool Advisory Committee meeting of 28 March 2013:

“The existing pool complex does not operate during the 2013/14 ‘season’.”

Accordingly, the additional funds of \$310,000 required to operate Nowra Pool for the entire 2013/14 season (2 November 2013 to 31 March 2014) were removed from the

current 2013/14 Budget as part of the budget planning process and subsequently adopted by Council on 21 June 2013. The draft budget was placed on public exhibition.

In addition the NSW Office of Environment & Heritage also advised that, should Council continue to operate the Nowra Pool with the leaking shell, it may require Council to construct a ground water interception / extraction system. Early investigations into such a system implied costing of approximately \$70,000 for the introduction of a groundwater interception / extraction system.

Program status

- # Current progress tracked in relation to the original Project Program prepared in May 2013 by Project Delivery Section is three weeks behind schedule (Attachment A - History). The tender preparation and tender evaluation phase is to be complete prior to the end of December 2013 this will enable tender reporting to council in January 2014 as originally programmed in May.

The timelines provided within status report submitted to the Nowra Pool Advisory Committee in April this year were unachievable in consideration of the full scope of the project was not determined. The Project Program prepared in May was in recognition of the scope of works as determined by Council at its meeting in April this year.

The performance specifications for the Nowra Pool upgrade, is currently being compiled into the tender document ready for advertising in early November. All tenders received will be evaluated and reported to the January 2014 Council meeting for determination. The current council design and construction program estimates the completion of the Project in December 2014, however tender offers may provide a shorter time frame for delivery.

Prior to the appointment of the main contract and handing over of the site, contractors will be working on the waterslides and salvage works. A meeting is to be arranged to inform the Nowra Pool Advisory Committee.

Option Reports

Reports have been received at the end of September for Aquatic, Heating and Energy Design Options from Geoff Ninnies Fong & Partners (GNFP) and WSP P/L, providing information on key operational areas that are to be specified in the Tender documents. The design reports also identify specific codes and standards as well as setting design criteria and performance parameters.

These reports provide options giving the council flexibility in light of costs and seasonal operation of the facility. It highlights the systems whole of life costs in terms of capital, operational and replacement costs.

- # The Design Options referenced above are shown at Attachment B and C.

Design Report Specific Outcomes

The Report is the basis for the specification and key issues have been identified that warrant further consideration.

Heating System

It is proposed to replace the existing solar absorbers on the amenities and meeting room roof with more efficient evacuated tube solar absorbers (Capital cost ~ \$150 k). The evacuated tube solar absorber shall be connected to a heat exchanger which provides storage for the hot water and separates the solar absorber hot water circuit from the pool water heating circuit.

The heating system will be designed to achieve set point temperatures of 28°C to be maintained throughout the year with pool blankets, however, if it is proposed to operate the pool at 25°C during the winter months, this will reduce energy costs whilst still delivering a comfortable swimming temperature.

To allow for 12 month operation of the Nowra pool, Electric heat pumps, Gas fired hot water heaters and Co-generation were considered. The difference on whole of life basis concluded that a co-generation system was not justifiable due to high capital costs.

Electric heat pumps have been preferred by Shoalhaven Swim and Fitness based on operational experience and due to lower annual operating costs (lower maintenance costs and safety issues) however, Shoalhaven Swim & Fitness Centres have experienced some performance issues as heat pumps tend to acquire a build-up of ice in winter during low ambient temperatures and struggle to maintain desired pool water temperatures at times.

The capital costs for electrical heat pumps has been estimated at \$1.050 million (including a minimum of \$0.4 m for the electrical upgrade to site) and, for gas fired hot water systems was \$0.48 million (including a minimum of \$80 k for electrical upgrade to site).

These extra capital costs for electrical upgrading needs to be considered, given that the system may only be utilised for several months of the year or on an intermittent basis as per current operating practices at Council's other 50 metre pools located at Bomaderry Aquatic Centre.

Therefore a natural gas system may be a viable alternative to electrical heat pumps due to substantially lower capital costs, lower maintenance costs, system performance at lower ambient temperatures and faster heating rates.

The additional operating cost of gas is estimated at \$27,000 annually (above electric heat pumps) if solar absorbers heat the pool during the summer season (November to May) and supplementary heating is only used during the winter season (April to October) to provide pool water temperatures of 25°C (noting this may be affected by climatic factors) should Council opt for a 12 month operation.

Confirmation of Utility Upgrade – External

The extent of the electrical power upgrade for the Council resolved heating option Electrical Heat Pumps is substantial. The new electrical supply would entail two new pad mounted substations, and a new main switchboard to be located in the plant room. The estimated maximum demand for this option is 1,658KVA. Each Endeavour Energy pad

mounted substation and associated cabling to the street will require an easement to be created over the Endeavour Energy assets.

Given the alternative heating option (Natural Gas) the extent of the electrical upgrade would be less and although the heating system would rely on a gas supply, the additional filtration plant and circulating pumps would increase the current electrical demand of the site of 284KVA. In this option a single pole mounted substation will be required to supply the maximum demand of 284kVA. This involves the extension of the existing 11kV distribution network to the proposed overhead pole transformer, with new service mains to the Nowra Swimming Centre to supply the main switchboard. New poles will be required to support the new substation.

As there is no gas supplied to the site, a new gas main with meter would be required to be supplied to site and reticulated to the pool heating plant room. WSP has contacted Jemena (service provider) to investigate and confirm availability of natural gas supply and capacity to service the site and no issues were identified.

Extent of Electrical Works – Internal

Investigations have found current internal electrical reticulation does not conform to current Australian Standards, therefore, all internal electrical supply is required to be upgraded or replaced for compliance.

Although the amenities and office areas are not included in the upgrade works, there may be telemetry required for plant and equipment due to the Building Management System (BMS) utilised to control plant operation.

Filtration Options

Pre-coat Diatomaceous Earth (DE) type filtration equipment will be specified rather than pressure sand type filtration. The benefits include substantial water savings, reduced chemical usage, reduced heat loss, better filtration capacity, better water clarity and reduced volumes of backwash tanks balance – DE is the preferred method of filtration of the Shoalhaven Swim & Fitness Centres Management.

Disinfection and PH Options

Sodium hypochlorite solution is to be specified for disinfection and sodium bi-sulphate for PH control due to lower capital costs, simple operation & maintenance, existing use at other Shoalhaven Swim & Fitness Centres and ability to move existing staff between centres.

Disabled Access Options for Pool Access

Investigations of options found that lifts are not widely used and are predominately useful for persons confined to wheelchairs. Recent documentation expresses concerns that chairs and sling devices are undignified for disabled persons and an unpleasant means of pool entry, particularly in public pools, this relates to the Disability Discrimination Act (DDA) 1992.

The inclusion of a ramp will be provided for access requirements, with the costs being absorbed into the pool shell construction. Site inspection confirmed acceptable space requirements for inclusion. There is no access improvements to the site or amenities included as part of this project.

Pool Shell Civil, Structural Design

The pool will be either piers or piled, however this requires further detail from the geotechnical engineer regarding differential settlement capacities of the site. This will be resolved through the design and construct contract.

Wading Pool Upgrade / Replace

Geoff Ninnes Fong & Partners prepared an engineering estimate and cost analysis for the wading pool upgrade to meet current filtration standards. The Nowra Pool Advisory Committee will be provided this information for consideration.

To meet current standards, new filtration is required and was to be suitable for future splash pad use. For the wading pool to comply, new filtered water return and supply lines need to be installed. This means the existing wading pool will be cut down the centre and ends to incorporate the new filtered water lines and then reinstated and the pool refinished. Substantial areas of the concourse would be removed and replaced in order to lay these pipes.

There is also a substantial construction risk as the existing wading pool is not founded on stable ground, therefore when the main pool is demolished and the ends and centre of the wading pool are cut, it is likely that the remaining shell will settle or move. Further when the pipes are installed and replacement sections reinstated to the wading pool, they will be piered whereby retained sections of the wading pool will not. The structural integrity cannot be guaranteed.

The estimated costs of undertaking these works as opposed to replacing the existing wading pool with a new pool shell are estimated to be approximately the same. Given the condition of the wading pool, the adjacent disturbance and the structural uncertainty, it is recommended that the wading pool be replaced rather than refurbished if it is to be retained, however this advice needs to be provided to the Nowra Pool Advisory Committee for consideration. The project documentation will allow for wading pool shell replacement.

The costs of either upgrading or replacing the existing wading pool is estimated in the vicinity of \$525,000 and the new Aquatic Playground (including the splash pad) is estimated in the vicinity of \$800,000. The extra over cost for the splash pad is approximately \$275,000.

Plant Room

The new plant room will be located where the existing meeting room / storage building utilised by the Nowra Swim Club Inc is situated. This is due to the requirement for the balance tank to extend under the plant room to accommodate for the large water volumes of the pool and to meet pool turnover rates with minimal restrictions. Any

requirements for Building Code of Australia and Australian Standards will be stipulated. Any requirements regarding electrical lighting and power, ventilation, hazardous materials storage, acoustics etc will require incorporation into the design and construction specification of the new plant room.

Flood Lights, End Shelters, Salvage Items

The replacement of flood lighting to meet minimal pool performance levels shall be included for replacement where required in the specification.

Removal and replacement of the existing cantilevered seating shelters at the ends of the 50 metre pool will be documented within the specification and that the footing details be included for design and construct within the performance specification.

Shoalhaven Swim & Fitness Centres will supply a list of items that they will salvage from the site prior to handing over the site, for use at other facilities. These generally include filters, pumps and dosing controllers. The remainder is to be demolished within the contract.

Pool Furniture and Fit-Out Items

Supply and installation of new fitting and fixtures, including pool hardware, new lane ropes, new pool blankets, time clock, fixed starting blocks, water polo equipment, goals and pool vacuum are included in the project.

Modern pool facilities of this size are being installed with electronic monitoring systems. This is proposed to be specified as an option as the costs of those systems are in the vicinity of \$100,000 and there is concern that these options were not considered in the original budget allocation. Given the size of the pool surface and depth, this has been recommended by Shoalhaven Swim & Fitness Centres.

Cost Plan

The refined scope will be used to develop an accurate cost plan by a qualified Quantity Surveyor. To date, a Detailed Cost Plan has not been prepared by a qualified Quantity Surveyor in setting the project budget and ensuring that all components of the project are included. There is no verification that those components and or allowances will amount to the current budget of \$6 million. Refer to "Construction Financial Implications" below for additional information.

Review of Environmental Factors

Consultants were engaged to undertake an analysis to determine what environmental assessment would be required for the development within the provisions of the Environmental Planning & Assessment (EP&A) Act 1979 as amended. As a result of this assessment, a report was produced, the following was concluded by the consultant:

"The assessment concluded that Development Consent is not required and the proposed works are suitable to be undertaken pursuant to Part 5 of the Environmental & Assessment Act (EP&A), 1979, as amended. The requirements of the EP&A Act 1979

require that the project be assessed by a Review of Environmental Factors under the provisions of Section 111 and Clause 228 of the EP&A Regulations.”

The above assessment was further supported by Council's Property Unit who advised that the lots on which the redevelopment is to take place can be considered to be public reserves within the meaning of the Local Government Act (1993) ("LGA").

The engagement of a consultant for preparation of a Review of Environmental Factors (REF) is currently being initiated and the completed document will be part of the tender package.

Summary of Key Areas that have Financial Implications

- **Heating System**
Electric heat pumps have high capital costs due primarily to the external electrical upgrade (\$400k), and was not included within the original budget. The Natural Gas alternative to be included as an option, based on low capital costs, current operational pattern and whole of life cost analysis.
- **Utility Upgrade - External**
Electricity site upgrade is substantially more for Electric heat pumps rather than natural gas.
- **Electrical Works - Internal**
Full extent of electrical site upgrade works was not previously anticipated, the whole system is required to be upgraded to meet standards.
- **Disabled Access Option**
Ramp required due to Disability Discrimination Act considerations.
- **Wading Pool Upgrade**
Cost to upgrade existing shell similar to the costs of replacing due to wading pool filtration to be retrofitted and the major excavation adjacent to the pool. Also substantial risks in keeping existing shell as structural integrity cannot be guaranteed.
- **Plant Room Building**
Plant Room location on site of existing meeting room / storage building - no allowance has been made for new meeting room / storage building.
- **Water Polo Compliant**
FINA compliant water polo arena fits better on an 8 or 10 lane pool due to the position of lane ropes for edge splash zones which utilise existing anchor points. Special anchor points will be required for lane ropes and goal nets as the pool is planned to be 9 lanes.
- **Budget**
Quantity Surveyors Cost Plan is to be prepared to verify the required budget for the current scope. Major items that are not currently included in Scope and Budget are listed below;

- Upgrade to Amenities, including disabled amenities
- Upgrade to Kiosk
- Installation of meeting / storage room and fit out to same, including kitchenette, seating etc
- Signage
- Seating
- Pool Furniture
- Additional shade
- Landscaping
- Communications
- Pathway lighting
- Pathways
- Fencing
- Upgrade of First Aid Rooms, reception point and office area
- Electronic pool monitoring system
- Electronic timing touch pads
- Wind deflectors
- Car park improvements
- Potentially hazardous materials

CONSTRUCTION FINANCIAL IMPLICATIONS:

Referring to the report and subsequent minute reported to Council on 23 April 2013. The status report – Attachment 1a - was prepared by Strategic Planning & Infrastructure at the time and the purpose was to attempt to clarify the Scope of Works and Budget. The status report – Attachment 1a - was prepared for the Nowra Pool Advisory Committee meeting held on 28 March 2013.

In brief, the report clearly outlines *“What is included in the scope of works to be tendered”* and further contains a brief cost breakdown equating to \$5.8 million.

The report also outlines *“What is not included in the scope of works to be tendered”*, the list includes new heat pumps and upgrading the precinct power supply to cater for the new electric heat pumps. Therefore, the \$5.8M budget estimate did not include heating or service upgrade.

The motion carried at the Nowra Pool Advisory Committee meeting, and subsequently adopted by Council at its meeting on 23 April 2013 (MIN13.401 – see Attachment A), states that the scope of works will include, amongst other items, new heat pumps and upgrading the power supply, including power factor correction. Further, the budget was set to \$6.0 million. The new heat pumps and power upgrade works were included with an additional budget of only \$200,000.

Given that the costing for the electric heat pump and power upgrade option is estimated at \$1.2 million and the status report did include an allowance for project management and contingencies, at present, it would seem that the budget will need to be reviewed considering the \$1.0 million to allow electric heat pumps and associated power upgrade. Minute No 13.401 further confirms inclusion of new evacuated tube solar heating whereby the status report allowed for the reuse of the existing solar system.

COMMUNITY ENGAGEMENT:

Council, at its Ordinary meeting held on 30 July 2013, made the following resolution (Min 13.751):

“That the matter [options for six and twelve month operations – Nowra and Bomaderry Swimming Pools] be deferred until further community consultation is undertaken and the service levels for the swimming season for 2013/14 remain as is.”

A strategic community consultation process has now been developed in line with Council's Community Engagement Policy (POL12/31). Consultants have been engaged to assist in the design and distribution of a survey ensuring comprehensive community engagement. A three (3) phase approach has been designed, as follows:

- Phase 1 (Q1 2014): Identify and test assumptions with key stakeholders
- Phase 2 Q3 2014): Test assumptions with the community
- Phase 3: Telephone survey with general population

Although some individuals within the Nowra Pool Advisory Committee have been receiving updates on progress the committee hasn't met in recent months and it is key that the committee is updated regularly throughout the project. A team will be in place to ensure this is undertaken. (Attachment D – Nowra Pool - Project Governance Structure).

Ben Stewart

DIRECTOR OF ASSETS AND WORKS

Craig Milburn

DIRECTOR OF CORPORATE AND COMMUNITY SERVICES

R.D Pigg

GENERAL MANAGER

ADDENDUM REPORT OF GENERAL MANAGER

ORDINARY MEETING

TUESDAY, 22 OCTOBER 2013

SHOALHAVEN WATER

1. **Works to be undertaken - sewer main located within 172 Greville Avenue
Sanctuary Point** **File 48037E, 4854E**
-

GROUP DIRECTOR: Carmel Krogh.

PURPOSE: Delivery Program Activity: 5.1.2.9 Shoalhaven Water Operations through its service profile – maintains and Operates Water and Wastewater systems to meet regulatory requirements and community expectations

This report is submitted to Council to seek direction on how to proceed with regard to the stabilisation of a sewer main located within No. 172 Greville Ave Sanctuary Point and to seek consensus on the process to address the contamination of Council land (Lot 1151 DP 1159783) & No. 172 Greville Ave Sanctuary Point (Lot 2 DP 16557).

RECOMMENDED that:

- a) **Council undertake necessary urgent stabilisation work at the rear of 172 Greville Avenue to ensure the sewer main assets are protected and the funding be sourced from Shoalhaven Water Reserve Funds**
- b) **Further investigations be undertaken to identify the source of the contaminated fill material in this vicinity to determine further appropriate action**
- c) **Legal advice be obtained to clarify the liabilities of the relevant parties**
- d) **Kerb and gutter be installed as recommended in the GHD report, with funding from the 2014/15 program**
- e) **Application be made to source Environmental Trust funds for this work if criteria are met.**

OPTIONS

- 1. As recommended
- 2. Relocate the sewer line along a different alignment. This would leave the contaminated material still to be dealt with, together with the unstabilised embankment.
- 3. Do nothing. This would leave the existing sewer main at risk at the next storm event.

No. 172 Greville Avenue, as they discharge to the rear of the property and over the land slip site.

Heavy rain in June 2013 resulted in further landslip as detailed in photograph No. 2. As a result of this land slip the owners of No. 172 Greville Ave contacted Council on 25 June 2013. Their complaint related to the recent stabilisation work on the adjoining property (174 Greville Ave) and further land slip which had now eroded more of their property to approximately 3m from the footings of a recently completed extension.

As a result of the owners' enquiry, Council officers visited the site on 27 June 2013. The site visit noted several issues in relation to their existing development, these included the discharge of roof water from No. 172 over the embankment and the adequacy of the existing footings, which Council has no record of inspection.

In relation to the structure's foundations it was suggested that the owners obtain an engineers certificate and that the stormwater discharge from their development be investigated. In addition the property owners were advised to seek options for the retention of the land to mitigate further slippage. To date there is no record of these matters being resolved.



Photo No. 2: Rear of No. 172 Greville Avenue after land Slip in June 2013

In July 2013 Shoalhaven Water engaged GHD P/L to determine –

- If the sewer infrastructure at the rear of 172 Greville Ave could potentially create any stability issues on Council's or the private land and
- The options available to mitigate any impact
- The risk to the existing infrastructure as a result of the recent stormwater runoff event and any potential future events,
- The mitigation options available

The GHD report was completed on 11 September 2013. The report details the issues associated with the land slip and these can be summarised as follows:

- The slope consisting of uncontrolled fill becoming saturated during extreme rainfall events from overland and subsurface flows.
- This saturated soil losing strength as a result of liquefaction then sliding down the slope.

The report noted that should no action be taken, retrogressive failure of the slope would occur and in the short term this continued slippage may affect the sewer main resulting in failure and rupture. The report also noted that, regardless of any future slope instability subsurface erosion along the sewer main is expected to continue and this continued erosion may result in deformation of the sewer main and subsequent failure.

Section 5 of the report detailed stabilisation and mitigation measures, one of which was the provision of road drainage. This drainage would reduce the overland flows and direct the street drainage into Council's existing drainage network. Council's Assets and Works Section determined that approximately 190m of kerb would be required from No. 192 Greville Ave, but have also advised that there is currently no funding for this work.

The report also provided an alternative option for the relocation of Council's sewer main at an estimated cost of \$50,000.

On 26 September GHD provided Council with a draft final report detailing the stabilisation method for the site. The report detailed the removal of approximately 350m³ to 400m³ (~792 tonnes) of uncontrolled fill from No.'s 170, 172 & 174 Greville Ave and the Council Lot 1151 DP1159783.

Once the uncontrolled fill material was removed, benching of the natural surface material would need to be undertaken on the affected lots. Installation of clay and rock back fill to stabilise the embankment at a maximum slope of 30 degrees would then be required. The initial estimate for this work was in excess of \$100,000.

Prior to finalising construction options, it was necessary to undertake sampling of the fill material to determine disposal/reuse options. Council officers attended site on the 4 October 2013 which resulted in the discovery of suspected asbestos material within the soil, therefore further testing was suspended until clarification on the potential contamination could be ascertained. The site was fenced and barricades placed around the spoil area.

The suspected asbestos material was then forwarded for laboratory testing and the results were provided on 15 October 2013. Testing confirmed the sample contained Chrysolite (white asbestos). The discovery of asbestos material within the spoil requires

that the estimated 792 tonnes of material be considered contaminated. This would result in disposal costs in excess of \$200,000.

The full extent and source of the contamination is unknown and extends from within the boundaries of No. 172 Greville Ave to Council's operational land (Lot 1151 DP1159783) which is located between the foreshore and the subject lot.

As part of the initial consultation process the owners of No. 174 Greville Ave were contacted to gain access to the site for construction purposes. They have verbally advised that they would deny access subject to Council agreeing to provide the kerb and gutter.

The refusal of entry to the site places significant constructability issue and may render the project unworkable given the limited access to the site from the foreshore. Council may wish to enforce rights under S59A of the Local Government Act to gain access.

Proposal

Although it is unclear as to the source of the asbestos material located in the fill material, investigations to determine the source may take some time. It is considered that stabilisation works should be undertaken as a matter of urgency to protect the sewer infrastructure, while also undertaking further investigations and assessment of options for recovering of the costs associated with its removal.

FINANCIAL IMPLICATIONS:

The estimated cost to carry out stabilisation work as discussed (with the disposal of 792 tonnes of contaminated material, the placement of 700m³ to 750m³ of rock fill and associated works) is approximately \$370,000. This does not include relocation of the sewer main or the kerb and gutter. No budget has been allocated from any of Council's funds for this work.

COMMUNITY ENGAGEMENT:

As this has arisen from an unplanned event, there has been no community engagement, other than direct liaison with the relevant landowners.

C Krogh
DIRECTOR SHOALHAVEN WATER

R.D Pigg
GENERAL MANAGER