



**GLADSTONE**  
REGIONAL COUNCIL

**GENERAL MEETING NOTICE  
AND AGENDA**

**TO BE HELD AT THE COUNCIL CHAMBERS – CIVIC CENTRE  
101 GOONDOON STREET, GLADSTONE**

**On Tuesday 3 September 2024**

**Commencing at 9.00am**

**Leisa Dowling  
CHIEF EXECUTIVE OFFICER**

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**G/1. MAYORAL STATEMENT OF CURRENT ISSUES**

## **G/2. CONFIRMATION OF MINUTES**

### **G/2.1. CONFIRMATION OF GENERAL MEETING MINUTES FOR 20 AUGUST 2024**

**Responsible Officer:** Chief Executive Officer

**Prepared By:** Executive Secretary

**Council Meeting Date:** 3 September 2024

**File Ref:** CM7.2

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#### **Purpose:**

Confirmation of the minutes of the General Meeting held on 20 August 2024.

#### **Officer's Recommendation:**

That the minutes of the General Meeting of Council held on 20 August 2024 be confirmed.

#### **Attachments:**

1. Minutes of the General Meeting of Council held on 20 August 2024.

**G/3. DEPUTATIONS**

**G/4. OFFICERS' REPORTS**

**G/4.1. COMMUNITY INVESTMENT PROGRAM - STRATEGIC PROJECTS FUND**

**Responsible Officer:** General Manager Community and Lifestyle

**Prepared By:** Community Investment Officer

**Council Meeting Date:** 3 September 2024

**File Ref:** GS3.1

**Purpose:**

To consider the recommendation of the Community Investment Panel on applications received under the Strategic Projects fund.

**Officer's Recommendation:**

That Council:

1. Adopt the Community Investment Panel’s recommendation of funding for the applications received as detailed in the table below:

Application ID	Applicant	Project	Recommended Amount
STRAT001-24/25	Wallaby Rugby League Football Club Inc	Field Lighting	\$64,000
STRAT002-24/25	Gladstone Netball Association	Lighting Enhancement Project	\$0
STRAT003-24/25	Gladstone Tennis & Squash Association	LED Lighting Upgrade to Tennis Courts	\$0
STRAT004-24/25	Central Queensland Motorsports	Construction of Water Infrastructure and Sediment Control	\$0
STRAT005-24/25	IMPACT Community Services Limited	IMPACT Community Health Precinct Master Planning	\$56,000
STRAT006-24/25	Clinton Football Club	Lights Field 2	\$0
STRAT007-24/25	Port Curtis Historical Society Inc	Purpose Built Display Shed	\$0
<b>Total Funding Recommended</b>			<b>\$120,000</b>

and

2. Authorise the Chief Executive Officer to finalise and execute funding agreements with the successful applicants detailing relevant entitlements and conditions.

**Summary:**

## GLADSTONE REGIONAL COUNCIL GENERAL MEETING AGENDA - 3 SEPTEMBER 2024

Council has received applications for funding through its Community Investment Program – Strategic Projects Fund that have been assessed by a Panel of Council Officers in line with Council’s Community Investment Policy with a recommendation presented for Council’s consideration.

### Link to Corporate Plan:

Connecting Communities - We work with you and for you, supporting the success of our communities.  
Delivering Value - We work efficiently to deliver value for your rates.

### Background:

The purpose of the Strategic Projects Fund is to strengthen not-for-profit organisations through the provision of financial support to upgrade existing or build new facilities where the organisation has suitable land tenure as defined in the supporting guidelines.

The financial support will foster the development of accessible, fulfilling, and engaging places and spaces for the wider community. The fund aims to create conditions for community that can:

- Increase community participation, access and organisational sustainability through major upgrades or new facilities.
- Provide or build a facility that encourages collaborative use of space.
- Create a safer, more accessible, and user-friendly facility for the community.

The Strategic Projects Fund objectives are:

- a. **CAPACITY:** to foster community led collaboration and partnerships, initiatives, programs and projects that help communities develop their own solutions to local areas of need. Initiatives and activities under this objective will generally strengthen and build the skills, knowledge, and capacity of community members and groups which can then be applied and shared. One of the key outcomes of the Capacity initiative is to advance the communities aspirations of collective action, cooperations, and shared goals.
- b. **CONNECT:** to foster community led initiatives and projects that strengthen relationships, community connection, civic participation and understanding across all sectors of the community.
- c. **WELLBEING:** to foster healthy, safe, and supported communities through the delivery of community led partnerships, programs, activities, and resources that promote healthy lifestyles, positive wellbeing, and safe communities.

Applicants can apply for up to \$100,000, with a 20% co-contribution required. Council’s budget for this funding stream is \$120,000.

The following applications have been received for consideration:

Application ID	Applicant	Project	Requested Amount
STRAT001-24/25	Wallaby Rugby League Football Club Inc	Field Lighting	\$64,000
STRAT002-24/25	Gladstone Netball Association	Lighting Enhancement Project	\$115,000
STRAT003-24/25	Gladstone Tennis & Squash Association	LED Lighting Upgrade to Tennis Courts	\$40,354
STRAT004-24/25	Central Queensland Motorsports	Construction of Water Infrastructure and Sediment Control	\$100,000

**GLADSTONE REGIONAL COUNCIL GENERAL MEETING AGENDA - 3 SEPTEMBER 2024**

STRAT005-24/25	IMPACT Community Services Limited	IMPACT Community Health Precinct Master Planning	\$100,000
STRAT006-24/25	Clinton Football Club	Lights Field 2	\$77,200
STRAT007-24/25	Port Curtis Historical Society Inc	Purpose Built Display Shed	\$58,192
<b>Total Funding Requested</b>			<b>\$554,746</b>
<b>Strategic Projects Fund Budget</b>			<b>\$120,000</b>

**Risk Management Summary:**

All eligible applications have been assessed by the Community Investment Panel in accordance with the Community Investment Policy.

Panel assessment is undertaken using an assessment matrix to score each application against Key Selection Criteria (KSC) to determine an order of merit. The overall score (ranking) is used to inform the recommendation. The table below defines the KSC, weighting and definition of score applied in the assessment matrix:

<b>STRATEGIC PROJECTS FUND KEY SELECTION CRITERIA (KSC)</b>	<b>Weighting</b>
<b>KSC 1:</b> Fund Objectives and Aims	60%
<b>KSC 2:</b> Demonstratable Need	20%
<b>KSC 3:</b> Provides Opportunity for Collaboration & Encourages Multi-Use	15%
<b>KSC 4:</b> Timeliness of Delivery – Shovel Ready	5%

<b>RATING MATRIX</b>
<b>GREEN = Score 75% and above - Full Funding</b> The application has <u>met or exceeded</u> all assessment criteria Applicants are offered 100% of funding requested
<b>ORANGE = Score 65%-74% - Partial Funding</b> The application has <u>met most</u> assessment criteria Applicants are offered 85% of funding requested
<b>YELLOW = Score 56%-64% - Partial Funding</b> The application <u>meets some</u> of all assessment criteria Applicants are offered 75% of funding requested
<b>RED = Score 55% and below - No Funding</b> The application <u>does not meet</u> any assessment criteria No funding offered

**Options and Opportunity Analysis:**

As per the Community Investment Policy, an assessment was undertaken by a panel to consider the applications. Individual panel member scores are captured within the Smarty Grants portal and collated in an assessment matrix. The Community Partnerships Manager moderated the Panel.

Assessment scoring with financial recommendations summarised in the table below:

**GLADSTONE REGIONAL COUNCIL GENERAL MEETING AGENDA - 3 SEPTEMBER 2024**

Applicant	Project	Project Location	Applicant Request	Panel Score	Recommendation
			Cash / Inkind		Cash / Inkind
Wallaby Rugby League Football Club Inc	Field Lighting	Gladstone	\$64,000	97%	\$64,000
Gladstone Netball Association	Lighting Enhancement Project	Gladstone	\$115,000	89%	\$0
Gladstone Tennis & Squash Association	LED Lighting Upgrade to Tennis Courts	Gladstone	\$40,354	70%	\$0
Central Queensland Motorsports	Construction of Water Infrastructure and Sediment Control	Benaraby	\$100,000	68%	\$0
IMPACT Community Services Limited	IMPACT Community Health Precinct Master Planning	Agnes Water	\$100,000	92%	\$56,000
Clinton Football Club	Lights Field 2	Gladstone	\$77,200	63%	\$0
Port Curtis Historical Society Inc	Purpose Built Display Shed	Calliope	\$58,192	54%	\$0
<b>Total Funding</b>			<b>\$554,746</b>		<b>\$120,000</b>

A brief overview of each application is provided below:

<b>Field Lighting – STRAT001-24/25</b>	
<b>Project Dates</b>	2024/2025
<b>Organisation Name</b>	Wallaby Rugby League Football Club
<b>Objective Alignment</b>	Wellbeing
<b>Brief Project Description</b> <i>Extract from Application</i>	The Wallaby Rugby League Football Club (RLFC) is installing energy-efficient Raptor 3 LED lighting and adding two more light poles to enhance its sporting facilities. This project will illuminate the main field and provide additional lighting for a smaller field used for warm-ups and training sessions. The aims is to extend the usability of the grounds into the evening, improve safety for players and spectators, promote health and wellbeing through evening activities, increase community participation, and support sustainability through energy efficiency. The upgrade will create a safer, more accessible, and user-friendly environment for all club members and the community.
<b>Total Amount Requested</b>	\$64,000
<b>Total Project Cost</b>	\$83,999
<b>Supporting Funding</b>	Shell QGC Community Investment – awaiting outcome
<b>Previous Funding Received</b>	19/20 - COVID-19 Recovery-Loss of Income - <b>\$5,000</b>
<b>Panel Score</b>	3.9 = 97%



<p><b>Moderated Commentary and Recommendation</b></p>	<p>A strong application with demonstrable need, highlighting the objectives and funding requirements, thorough project planning and community collaboration and support. The application provides adequate data to support responses to criteria.</p> <p>Recommendation: Based on the assessment and score rating the panel recommend full funding of the requested amount, \$64,000.</p>
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<p><b>Lighting Enhancement Project – STRAT002-24/25</b></p>	
<p><b>Project Dates</b></p>	<p>2024/2025</p>
<p><b>Organisation Name</b></p>	<p>Gladstone Netball Association</p>
<p><b>Objective Alignment</b></p>	<p>Wellbeing</p>
<p><b>Brief Project Description</b> <i>Extract from Application</i></p>	<p>The project is a lighting upgrade whereby Gladstone Netball will replace the temporary catenary lighting set-up surrounding netball courts 1, 2, and 3 with energy-efficient LED court lights.</p> <p>The project is aimed at addressing safety concerns, improving the facilities functionality by replacing existing lighting assets that have reached end-of-life. By upgrading to high-standard and energy efficient lighting that is also compliant with Netball Australia’s specifications, the delivery of this project will ensure improved visibility and safety for players and spectators alike, while reducing electricity costs.</p>
<p><b>Total Amount Requested</b></p>	<p>\$115,000</p>
<p><b>Total Project Cost</b></p>	<p>\$165,317.40</p>
<p><b>Supporting Funding</b></p>	<p>Gambling Community Benefit Fund Super Round 121 – awaiting outcome</p>
<p><b>Previous Funding Received</b></p>	<p>19/20 - Support for ongoing operational costs/bills for GNA - \$5,000 20/21 - Pam Moore Carnival - \$2,000</p>
<p><b>Panel Score</b></p>	<p>3.6 = 89%</p>
<p><b>Moderated Commentary and Recommendation</b></p>	<p>The application is overall adequate and provides some good responses and supporting documentation. However, the assessment score could be higher if evidence was provided of activities referred to in responses and opportunities for multi-use, particularly during the off-season, could be demonstrated.</p> <p>Recommendation: Based on the assessment and score rating the application placed in third position and is unsuccessful as the allocated budget will be expended by funding applications that scored higher in first and second position.</p>

<b>LED Lighting Upgrade to Tennis Courts – STRAT003-24/25</b>	
<b>Project Dates</b>	2024/2025
<b>Organisation Name</b>	Gladstone Tennis & Squash Association
<b>Objective Alignment</b>	Wellbeing
<b>Brief Project Description</b> <i>Extract from Application</i>	The project involves upgrading the existing dated mercury vapor 2000W lighting units on seven tennis courts (courts 1, 2, 5-9) to brighter and more energy efficient LED lighting. This will reduce energy costs, reduce carbon footprint and improve the lighting so that it meets the recommended standard for night-time tennis.
<b>Total Amount Requested</b>	\$40,353.64
<b>Total Project Cost</b>	\$50,442.05
<b>Supporting Funding</b>	N/A
<b>Previous Funding Received</b>	19/20 - GTSA Free Junior Tennis/Squash Lesson Package - \$2,950 20/21 - 2021 Gladstone Open Tennis Tournament - \$666 21/22 - Shade Sail - \$1,600
<b>Panel Score</b>	<b>2.8 = 70%</b>
<b>Moderated Commentary and Recommendation</b>	<p>The application addresses the criteria and provides evidence and supporting documentation for only some of the questions. The score would be greatly improved by addressing all criteria questions.</p> <p>Recommendation: Based on the assessment and score rating the application placed in fourth position and is unsuccessful as the allocated budget will be expended by funding applications that scored higher in first and second position.</p>

<b>Construction of Water Infrastructure &amp; Sediment Control – STRAT004-24/25</b>	
<b>Project Dates</b>	2024/2025
<b>Organisation Name</b>	Central Queensland Motorsports
<b>Objective Alignment</b>	Capacity, Connect & Wellbeing
<b>Brief Project Description</b> <i>Extract from Application</i>	Excavating two existing sites within the central part of the lease, thus creating water storage and sediment treatment ponds. Transporting the excavated material to the northern end of the lease where material shall be stockpiled for use as subbase material for an approved 800 metre track development. By completing this body of work, inflowing stormwater from the adjoining properties will be retained for onsite use and excess outflowing waters will be filtered via the sediment treatment area prior to leaving site.
<b>Total Amount Requested</b>	\$100,000
<b>Total Project Cost</b>	\$155,785
<b>Supporting Funding</b>	N/A
<b>Previous Funding Received</b>	N/A
<b>Panel Score</b>	<b>2.7 = 68%</b>

<b>Moderated Commentary and Recommendation</b>	<p>Overall, this application needs further detail with respect to how the project aligns with the chosen objectives and how it will provide benefit. The applicant provided some evidence to support the project’s objectives in improving the facility, but the application requires further clarification on how it will meet the criteria of this funding stream.</p> <p>Recommendation: Based on the assessment and score rating the application placed in fifth position and is unsuccessful as the allocated budget will be expended by funding applications that scored higher in first and second position.</p>
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<b>IMPACT Community Health Precinct Master Planning – STRAT005-24/25</b>	
<b>Project Dates</b>	2024/2025
<b>Organisation Name</b>	IMPACT Community Services Limited
<b>Objective Alignment</b>	Capacity, Connect & Wellbeing
<b>Brief Project Description</b> <i>Extract from Application</i>	This project will masterplan the future development of a leased parcel of Council-owned land at Agnes Water to address the current and future health needs of the Discovery Coast region. The objective is to create a strategic, phased approach for the development of IMPACT’s health service precinct, which aligns with funding availability, community needs, and healthcare priorities.
<b>Total Amount Requested</b>	\$100,000
<b>Total Project Cost</b>	\$125,000
<b>Supporting Funding</b>	N/A
<b>Previous Funding Received</b>	N/A
<b>Panel Score</b>	3.7 = 92%
<b>Moderated Commentary and Recommendation</b>	<p>The application is of a very high standard, effectively addressing criteria questions and providing supporting documentation and evidence.</p> <p>Recommendation: Based on the assessment and score rating the panel recommend partial funding of the requested amount, \$56,000. The Community Investment Officer has canvassed Impact’s willingness to accept partial funding to deliver a reduced scope of works, to be negotiated and approved as part of the executed funding agreement.</p>

<b>Lights Field 2 – STRAT006-24/25</b>	
<b>Project Dates</b>	2024/2025
<b>Organisation Name</b>	Clinton Football Club
<b>Objective Alignment</b>	Wellbeing
<b>Brief Project Description</b> <i>Extract from Application</i>	Installation of two light towers on the field to allow games to be played on any night of the week. The lights would allow cricket, Gladstone AFL and Clinton Football Club to utilise the

	footprint of the lease area for training nights and reduce the wear on the main oval. The lights would also allow the Gladstone Summer Six Football competition to accommodate more teams and meet community demand.
<b>Total Amount Requested</b>	\$77,200
<b>Total Project Cost</b>	\$96,519
<b>Supporting Funding</b>	N/A
<b>Previous Funding Received</b>	N/A
<b>Panel Score</b>	2.5 = 63%
<b>Moderated Commentary and Recommendation</b>	<p>The applicant's responses were very brief and require additional explanation. Letters of support would strengthen application as would more detail to responses. Multiple clubs use the field and would benefit from the project.</p> <p>Recommendation: Based on the assessment and score rating, the application is unsuccessful.</p>

<b>Purpose Built Display Shed – STRAT007-24/25</b>	
<b>Project Dates</b>	2024/2025
<b>Organisation Name</b>	Port Curtis Historical Society
<b>Objective Alignment</b>	Connect, Wellbeing
<b>Brief Project Description</b> <i>Extract from Application</i>	The Historical Society intends to build a purpose-built showroom for displaying historical vehicles and significant artefacts. The proposed shed would have an open front, with storage room toward the back. The project is aimed at increasing tourism flow and enticing more locals to visit the facilities.
<b>Total Amount Requested</b>	\$58,192
<b>Total Project Cost</b>	\$84,132
<b>Supporting Funding</b>	N/A
<b>Previous Funding Received</b>	19-20 - Surviving the Pandemic - \$5,000 20/21 - Undertake kitchenette spruce up - \$1,500 20/21 - Effective display of multiple historic collections - \$5,000 21/22 - Community Hall expenses - \$2,000 22/23 - Community Hall expenses - \$2,000 23/24 - Community Hall expenses - \$2,000
<b>Panel Score</b>	2.2 = 54%
<b>Moderated Commentary and Recommendation</b>	<p>Overall, this application's score could be increased with more detailed and relevant answers to criteria questions and by providing documentation to support the funding application.</p> <p>Recommendation: Based on the assessment and score rating, the application is unsuccessful.</p>

**Stakeholder Engagement:**

As detailed within the Community Investment Policy, the delegated assessment panel was consulted and moderated by the Community Partnerships Manager.

**Legal and Regulatory Implications:**

This application has been assessed against Council’s Community Investment Program Policy P-2023-10, and published event guidelines. On favorable adoption of the Panel’s recommendations detailed in this report, authorised officers will proceed to enter into a grant and or funding agreement (detailing entitlements and conditions) with the successful applicant.

**Financial and Resource Implications:**

The amounts requested total \$554,746 against an allocated budget of \$120,000.

Upon endorsement of the officer’s recommendation the Strategic Projects Fund for 24/25 will be expended.

**Anticipated Resolution Completion Date:**

27 August 2024.

**Attachments:**

1. CONFIDENTIAL – Scoring Matrix
2. CONFIDENTIAL – Panel Assessments – Wallaby Rugby League Football Club
3. CONFIDENTIAL – Panel Assessments – Gladstone Netball Association
4. CONFIDENTIAL – Panel Assessments – Gladstone Tennis and Squash Association
5. CONFIDENTIAL – Panel Assessments – Central Queensland Motorsports
6. CONFIDENTIAL – Panel Assessments – IMPACT Community Services Limited
7. CONFIDENTIAL – Panel Assessments – Clinton Football Club
8. CONFIDENTIAL – Panel Assessments – Port Curtis Historical Society Inc

## G/4.2. NATIONAL LOCAL ROADS TRANSPORT AND INFRASTRUCTURE CONGRESS ATTENDANCE

**Responsible Officer:** General Manager People and Strategy

**Prepared By:** General Manager People and Strategy

**Council Meeting Date:** 1 September 2024

**File Ref:** CM6.1

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### Purpose:

To allow Council to nominate Councillor attendance at the National Local Roads, Transport and Infrastructure Congress 2024 being held outside of Queensland.

### Officer's Recommendation:

That Council nominate Cr \_\_\_\_\_ to attend the National Local Roads, Transport and Infrastructure Congress 3 - 4 December 2024 in Western Australia.

### Summary:

Throughout the 2024/25 financial year, there are a number of conferences that offer an opportunity for Councillors to enhance their knowledge, learn about new practices, network with regional and interstate colleagues and represent the interests of the Gladstone Region.

The following conference has been identified by officers as an opportunity for Councillor attendance:

Conference	Date	Location
Australian Local Government Association - <i>National Local Roads, Transport and Infrastructure Congress 2024</i>	3-4 December 2024	Margaret River, Western Australia

### Link to Corporate Plan:

Accountable Council - We are providing good stewardship built on a foundation of trust.

### Background:

The National Local Roads, Transport and Infrastructure Congress (NLRITC) provides opportunities for delegates from councils across Australia to swap and share expertise on local roads and bridges, traffic management and road safety and learn about the latest trends and developments in road safety, circular economy, decarbonising infrastructure builds, telecommunications and technology.

### Risk Management Summary:

One of Council's key corporate goals is delivering value. To minimise the risks associated with making value for money decisions, Councillors must remain educated, informed and involved in the industries that Council spends a large portion of its budget on.

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Attendance at conferences of this nature provides an opportunity for Officers and Councillors who are the key decision makers for this infrastructure, to remain informed and aware of the latest developments, initiatives and technologies emerging in these fields and to learn from the experiences of others involved in the industry.

It also provides a forum for collective advocacy to the Federal Government through the Australian Local Government Association (ALGA).

### Options and Opportunity Analysis:

The Mayor will attend the conference in his role as Vice President of ALGA, and it is recommended that an officer is also nominated to represent Gladstone Regional Council.

Other Options:

Council may choose to nominate additional councillors to attend the conference however the officer's recommendation is consistent with the 2024/25 Operating Budget as adopted by Council.

Council may choose not to have Councillor representation at the conference and rely on the attendance of the Mayor and or Officers. In that instance, there may be a missed opportunity to enhance knowledge, learn about new practices, network with regional and interstate colleagues.

### Stakeholder Engagement:

Internal consultation has occurred with Councillors when establishing the 2024/25 Operating Budget for councillor attendance at conferences.

### Legal and Regulatory Implications:

In accordance with Council's Councillor Expenses Reimbursement and Provision of Facilities Policy P-202118, where a councillor seeks reimbursement for attendance at a conference that was held outside of Queensland, the attendance must be supported by a resolution of Council.

Section 6.1.2 of Council's Council Meetings Procedures Policy P-2020-19 provides that a leave of absence is automatically granted to a Councillor where Council passes a formal resolution for a Councillor to attend a conference or the Councillor is nominated to represent Council at another event.

### Financial and Resource Implications:

The below table is a summary of the estimated costs associated with the proposed attendance of one Councillor:

Conference	Conference Registration	Travel Estimate	Accommodation Estimate	Meals & Incidentals
National Local Roads, Transport and Infrastructure Congress 2024	\$925	\$1,400	\$600	\$300
<b>Total \$3,225</b>				

There is sufficient budget in the adopted 24/25 Elected Members budget to support this conference attendance.

**Anticipated Resolution Completion Date:**

30 September 2024

**Attachments:**

Nil



### **G/4.3. SPECIALISED SUPPLIER - GLADSTONE SOUTHS SWIMMING CLUB INC.**

**Responsible Officer:** General Manager Finance Governance and Risk

**Prepared By:** General Manager Community & Lifestyle, Manager Contracts & Procurement

**Council Meeting Date:** 3 September 2024

**File Ref:** CP8.2, SR7.3

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**Purpose:**

This report seeks resolution from Council to make use of the provisions in section 235 of the Local Government Regulation 2012, that allows for exceptions to the requirement for written quotes or tenders.

**Officer's Recommendation:**

That:

1. In accordance with s235(a) of the Local Government Regulation 2012, Council is satisfied that Gladstone South Swimming Club Inc is the only supplier for the provision of pool operations for Council's aquatic facilities who is reasonably available; and
2. Council enter into a trustee lease with Gladstone Souths Swimming Club Inc over the Gladstone Aquatic Centre described as Lease F on SP255183 being part of Lot 40 on SP245941, and Mt Larcom Swimming Pool being Lease A on SP280135 being part of Lot 155 on DS592 on the following terms:
  - (a) For a rental of \$1.00 payable on demand;
  - (b) For a period of 5 years;
  - (c) Includes a fair and reasonable contribution by Council toward the costs of operating the pool; and
  - (d) On such other terms and conditions as the Chief Executive Officer deems appropriate under the circumstances.

**Summary:**

This report requests Council to resolve to enter into a trustee lease with Gladstone South Swimming Club Inc and to identify Gladstone South Swimming Club Inc as a sole supplier pursuant to s235(a) of the Local Government Regulation 2012, allowing exceptions to the requirement for written quotes or tenders for specific suppliers. This will ensure efficient procurement for the operational management of Council's aquatic facilities through a Trustee Lease for the Gladstone Aquatic Centre and Mount Larcom Swimming Pool.

**Link to Corporate Plan:**

Connecting Communities - We work with you and for you, supporting the success of our communities.

Delivering Value - We work efficiently to deliver value for your rates.

**Background:**

Council owns the Gladstone Aquatic Centre and Mount Larcom Swimming Pool ("the Aquatic Facilities") which are both situated on community reserves of which Council is trustee.

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In 2018, Council entered into a 5-year lease with BlueFit Pty Ltd for the operation of the Aquatic Facilities, expiring on 31 August 2023. An agreement to continue operating the facilities was in place for an additional period for Council to explore opportunities for a community-led model. This agreement was to expire on 30 September 2024.

BlueFit have advised that the company will be transitioning out of its Gladstone operations, and as such the agreement is to be terminated on the 31 August 2024.

In 2023, Council engaged Otium Planning, a leading sport and recreation planning specialist, who consulted 81 local governments across Australia for a comparison of aquatic centre operating models.

From the 81 national council's, 14 were based in Queensland, with these councils reporting the following operating models: -

Aquatic and leisure under a lease management agreement	13 facilities
In-house Council arrangement	11 facilities
Contract management arrangement (service providers)	5 facilities
Community managed with Council oversight	4 facilities

The report states that there are current trends Councils are exploring, including a fee for service model, and an in-house model with modifications to their Enterprise Agreements to reflect the roles required to operate the aquatic centre facilities.

The proposal Officers have explored includes the elements of the fee for service model, delivered through a Trustee Lease, including:

- Retain the operator for a five-year term
- Review of performance annually through agreed KPIs
- Council assumes responsibility of asset management, including maintenance and asset renewal.
- Operator has an open book with Council having full access to income and expenditure.
- Council and operator approach the contract where both parties share any operating surplus over projected budgets.

The proposed operating model also aligns with Council's Community Development Strategy, and it's five priority areas, being: -

Capacity:	Collaboration and partnerships that help to build the capacity of our people and communities and enable all to thrive.
Places:	Creating accessible, vibrant and engaging places and spaces for community.
Connect:	Strengthening community connection, participating and activating communities.
Wellbeing:	Fostering healthy, safe and supported communities.
Planning:	Working with the community to plan for our region.

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Further considerations with respect to the operating model included customer satisfaction, asset activation and visitation, meeting community expectations, building community capacity and better asset management.

In exploring options for the operation of the Aquatic Facilities, Officers reviewed regional swimming clubs, given their alignment with aquatic centres, and assessing their capacity against several key objectives: -

- Capability and strength of management team;
- Experience in managing commercial aquatic facilities;
- Experience in lease management
- Strength in Club membership base

The Gladstone Region’s two swimming clubs, the Boyne Tannum Bullets and Gladstone South Swimming Club were reviewed against the key objectives. A summary of the review is included in the table below:

<b>Objective</b>	<b>Gladstone South Swimming Club Inc. (GSSCI)</b>	<b>Boyne Tannum Bullets Swim Club (BTBSC)</b>
Capability and strength in management team	<ul style="list-style-type: none"> <li>• Dedicated and paid General Manager and established active Committee and volunteer base.</li> </ul>	<ul style="list-style-type: none"> <li>• Newly appointed volunteer manager and newly appointed treasurer. Established volunteer base.</li> </ul>
Experience in managing commercial aquatic centres	<ul style="list-style-type: none"> <li>• GSSCI currently operate the Calliope Swimming Pool on behalf of Education Queensland and have operated the John Dahl Swimming Pool since 2020.</li> <li>• Prior to 2020 Western Suburbs Swimming Club operated the John Dahl Swimming Pool. Western Suburbs Swimming Club amalgamated with GSSCI prior to taking over the lease.</li> </ul>	<ul style="list-style-type: none"> <li>• BTBSC currently hire the pool at Tannum Sands State Primary School on an hourly basis.</li> </ul>
Experience in lease management	<ul style="list-style-type: none"> <li>• GSSCI currently have a lease over John Dahl Swimming Pool with Council and a lease and operating agreement over Calliope Swimming Pool with Education Queensland</li> </ul>	<ul style="list-style-type: none"> <li>• BTBSC do not have a lease for the Tannum Sands pool.</li> </ul>
Strength in membership base	<ul style="list-style-type: none"> <li>• Membership base is estimated at 450 people</li> </ul>	<ul style="list-style-type: none"> <li>• Membership base is estimated at 150 people</li> </ul>

Gladstone South Swimming Club has recently successfully integrated the Gladstone Gladiators into their club and are now the second largest swimming club in Queensland.

The Club have been open and transparent with Council with respect to their success over the past five years, advising that the club has continued to increase its cash at bank year on year, with the exception of 2023/24 where they reported a minor loss of \$1,700 due to significant start up costs to operate the Calliope Swimming Pool. As a Not for Profit entity, all profits are reinvested into the Club and the community.

In initial conversations with the Club, they are prepared to enter into a Trustee Lease with Council for the Aquatic Facilities and have the capacity and capability to operate the facilities.

With the exception of Council (BlueFit) and Education Queensland, Gladstone Souths Swimming Club Inc are the only other aquatic centre operator in the Gladstone Region.

To ensure Gladstone Souths Swimming Club Inc are supported in their initial operational transition, Council will appoint a contract manager to provide support, manage risk and ensure lease compliance.

### **Risk Management Summary:**

Council has a minimal risk appetite with respect to reputational impact and takes a cautious approach to taking risk. There is likelihood that, should Councillors wish to undertake an alternative procurement process, the aquatic facilities will not operate for a period of up to 12 weeks to undertake a tender process. The risk to Council's reputation is also dependent on a proper and transparent process.

### **Options and Opportunity Analysis:**

#### Option 1 – Officer's Recommendation

It is the Officer's Recommendation that Council pursue a community-led operating model in which Gladstone South Swimming Club Inc as the only supplier reasonably available to provide the services are engaged to lease and operate the Aquatic Facilities.

The option presented in this report is financially sound, aligns with aquatic centre operating trends and Council's Community Development Strategy priority areas, and engages a well-established and respected community not-for-profit organisation to operate the facilities.

Gladstone South Swimming Club Inc have demonstrated experience in operating commercial facilities and have held Trustee leases with both Council and the Department of Education. The Club have further demonstrated financial sustainability through continued increases in their cash at bank.

Council would appoint a contract manager to support the transition to a new operator and to ensure the Aquatic Facilities are managed in accordance with the lease.

Gladstone South Swimming Club Inc is a sole supplier and s235(a) of the Local Government Regulation 2012 applies to Gladstone South Swimming Club Inc because:

1. Gladstone South Swimming Club Inc has demonstrated that it possesses the ability to successfully manage aquatic facilities;
2. Gladstone South Swimming Club Inc possesses a high level of knowledge of the needs of the swimming community in the Gladstone Region; and
3. Given Bluefit's early departure from the operation of the Gladstone Aquatic Centre, Gladstone South Swimming Club Inc is the only supplier reasonably available to take possession of the aquatic facilities to avoid a lengthy closure.

#### Option 2 – Tender for a new operator

A procurement process to engage a new operator for the Aquatic Facilities could be progressed, however, this will likely be a 12-week process.

Should Council endorse this option, the Aquatic Facilities would require to be closed until a tender has been awarded and the operator is on site.

#### Option 3 – Insourcing opportunities

Council could request Officers to explore further an insourcing model for the operation of the Aquatic Facilities.

An initial exploration of this option showed a significant increase in salaries and wages with employees required to be employed under the Local Government Award, rather than the Recreation Award and the Lifeguarding Award.

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It is estimated that this review could take up to three months to explore, placing Council at risk of reputational impact with a lengthy community asset closure and not result in an option that would be the equivalent of Options 1 and 2 above.

### Stakeholder Engagement:

Council has engaged with its current operator, BlueFit to understand in detail the operational requirements for both facilities.

Officers have engaged with Gladstone South Swimming Club Inc to assess capability and interest in operating the facilities based on the assessment undertaken to determine operator suitability.

### Legal and Regulatory Implications:

It is a requirement of section 225 of the Local Government Regulation 2012 to invite written quotations or tenders where the supply of goods or services with a cost greater than \$15,000.

Section 235 (a) of the Local Government Regulation 2012 provides the following exception to the requirement relevant to this request which states: "... the local government resolves it is satisfied that there is only 1 supplier who is reasonably available."

Council has engaged McCullough Robertson to prepare the trustee lease who, in consultation with Council's General Counsel and General Manager of Community and Lifestyle, has developed a lease that supports the robust management of the facility through:

- Setting key performance indicators;
- Clarifying dispute and performance resolution procedures; and
- Establishment of a cross functional Review Committee for ensuring oversight of both financial and non-financial outcomes of the lease.

### Financial and Resource Implications:

Under the proposed financial model for the operation of the Aquatic Facilities, Council will make a monthly payment of an Operator's Fee to Gladstone South Swimming Club Inc.

Over the course of the five-year lease period, the investment for the operator will be \$1,590,123 excluding GST.

It is proposed that Council bear the costs for rates and charges, water, electricity, maintenance and community development, which totals \$2,423,636 across the five-year period.

Year	Operator Fee (GST Ex.)	Council Operating Costs (GST Ex.)	Total Operating Cost (GST Ex.)	Notes
2024/25	\$225,918	\$341,566	\$567,484	10 month operations from 1 <sup>st</sup> September 2024
2025/26	\$284,656	\$411,374	\$746,030	
2026/27	\$298,889	\$480,510	\$779,399	
2027/28	\$313,833	\$500,646	\$814,479	
2028/29	\$329,525	\$525,678	\$855,203	
2029/30	\$137,302	\$163,772	\$301,074	2 month operations to 31 <sup>st</sup> August 2029
	\$1,590,123	\$2,423,636	\$4,013,759	

The operator fees associated with the 2024/25 financial year can be accommodated within the approved budget, however, this will be dependent on the final claim from the outgoing operator.

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The annualised operating costs under the proposed trustee lease model is estimated at \$802,751 p.a. on average over the five year lease term. The previous financial year costs with the prior lessee resulted in an operating cost of \$877,445.

The proposed collaborative operating model of the trustee lease is expected to yield a saving compared to the operating costs under the previous lease.

**Anticipated Resolution Completion Date:**

6 September 2024

**Attachments:**

Nil.

**G/5. COUNCILLORS REPORT**

**G/6. URGENT BUSINESS**

**G/7. NOTICE OF MOTION**

**G/8. CONFIDENTIAL ITEMS**