



GLADSTONE
REGIONAL COUNCIL

GENERAL MEETING AGENDA

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

On 18 December 2018

Commencing at 9.00am

**Leisa Dowling
CHIEF EXECUTIVE OFFICER**

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G/1. MAYORAL STATEMENT OF CURRENT ISSUES

Nil.

G/2. CONFIRMATION OF MINUTES

G/2.1. CONFIRMATION OF GENERAL MEETING MINUTES FOR 4 DECEMBER 2018

Responsible Officer: Chief Executive Officer

Council Meeting Date: 18 December 2018

File Ref: CM7.2

Purpose:

Confirmation of the minutes of the General Meeting held on 4 December 2018.

Officer's Recommendation:

That the minutes of the General Meeting of Council held on 4 December 2018 be confirmed.

Attachments:

1. Minutes of the General Meeting of Council held on 4 December 2018.

Tabled Items:

Nil.

Report Prepared by: Executive Assistant

G/3. OFFICERS' REPORTS

G/3.1. OFFICE OF THE CEO

G/3.1.1. INTERNATIONAL PARKS AND LEISURE CONGRESS ATTENDANCE REPORT

Responsible Officer: Chief Executive Officer

Council Meeting Date: 18 December 2018

File Ref: CM7.2

Purpose:

To brief Council on the ideas and content presented at the International Parks and Leisure Congress which was attended by Councillor O'Grady on 14 – 17 October 2018 in Melbourne.

Officer's Recommendation:

That Council note the Conference Attendance report by Cr Desley O'Grady on the International Parks and Leisure Congress.

Background:

The International Parks and Leisure Congress was hosted by World Urban Parks and Parks and Leisure Australia, with the theme of the congress being Future of Spaces and Places in Cities. The 4-day congress addressed the impact urban growth and density will have on our parks, leisure and sport globally.

The Awards of Excellence Gala Dinner were held during the congress to celebrate the best of Australia's parks, sport and leisure industry. Gladstone Lions Park, as a regional winner for the Park of the Year Award progressed to the national awards which was presented at the Gala Dinner.

Consideration:

Nil.

Communication and Consultation (Internal/External):

The Chief Executive Officer, Mayor and Councillors.

Legal Environmental and Policy Implications:

Attendance approved by resolution at Council's General Meeting 7 August 2018 in accordance with Councils Expenses Reimbursement and Provision of Facilities Policy section 6.2 and 6.3.

Financial and Resource Implications:

Total conference attendance cost inclusive of conference registration, travel, accommodation and meals was \$3,780.09.

Commentary:

Nil.

Summary:

The impact urban growth and density will have on our parks, leisure and sport globally is an important topic to consider. The International Parks and Leisure Congress which was co-hosted by World Urban Parks and Parks and Leisure Australia discussed ways to ensure our open spaces are protected and our lifestyles enhanced.

Anticipated Completion Date:

14 October 2018.

Attachments:

1. International Parks and Leisure Congress 2018 Report – Cr O’Grady

Tabled Items:

Nil.

Report Prepared by: Executive Assistant to the Office of the Chief Executive Officer

G/3.2. STRATEGY AND TRANSFORMATION

Nil.

G/3.3. STRATEGIC ASSET PERFORMANCE

G/3.3.1. BICENTENNIAL DRIVE REHABILITATION RDC0650

Responsible Officer: General Manager Strategic Asset Performance

Council Meeting Date: 18 December 2018

File Ref: CM9.2

Purpose:

The purpose of this report is to allow Council to consider its options regarding the renewal of Bicentennial Drive, Agnes Water (RDC0650).

Officer's Recommendation:

That:

1. Council endorse the construction of the original scope of RDC0650 – Bicentennial Drive Rehabilitation; and
2. Approve new funds of \$453,000 to be allocated to the 18/19 RDC0650 capital budget.

Background:

As part of the 2018/19 adopted budget, Council approved \$450,000 to address issues with the pavement at Bicentennial Drive, Agnes Water, between Round Hill Road and Anderson Way. This is to be achieved by stabilization of the pavement and replacement of the surface. This project has been allocated State Government contributions of \$200,000 under the Transport Infrastructure Development Scheme (TIDS).

Since the original budget decision additional geotechnical investigations have been undertaken. These investigations identified that the extent of stabilization required was greater than anticipated. As such additional funds are required to deliver the identified scope.

Consideration:

Option 1: Review the scope of works to meet the allocated budget of \$450,000.

Under this option it is estimated approximately 400 metres could be delivered for this budget. With a starting chainage of 30 metres from Round Hill Road, the renewed road section would finish prior to commercial premises at 42 and 43 Bicentennial Drive. This would only repair part of the road frontage to the industrial precinct.

Option 2: Council deliver approximately 650 metres of road renewal.

Under this option the main commercial industrial precinct road frontage would be renewed. This would capture the most heavily trafficked road segment as the majority of heavy traffic travels to and from Round Hill Road. The works would finish at approximately 61 Bicentennial Drive. This is estimated as costing \$600,000, inclusive of contingency.

To achieve this option Council will need to allocate additional funds of \$150,000.

Option 3: Council deliver the original scope of works.

Under this option Bicentennial Drive from Round Hill Road to Anderson Way would be renewed (approximately 1km). This is estimated as costing \$903,000, inclusive of contingency.

To achieve this option Council will need to allocate additional funds of \$453,000.

Whilst the currently commercial and industrial activities on Bicentennial Drive are located closer to Round Hill Road, the area between Round Hill Road and Anderson Way are included in the Bicentennial Drive Enterprise Precinct within the Gladstone Regional Council Planning Scheme. This allows for code assessment of a number of commercial uses in this area.

Communication and Consultation (Internal/External):

Internal discussion has been held with Road Project Delivery officers, Engineering Asset Solutions officers and Asset Governance.

Legal Environmental and Policy Implications:

Nil

Financial and Resource Implications:

The project is programmed to commence in December 2018 and forecast for completion in January 2019. This timeframe meets funding requirements through the Transport Infrastructure Development Scheme.

Item	Cost
Expenditure to date (18/19)	-
Current Commitments:	-
Anticipated costs:	
Construction works	\$794,150.00
Contingency (20%)	\$158,850.00
Total Cost	\$953,000.00
Current Budget Allocation (18/19)	\$450,000.00
Additional Funds Required (18/19)	\$453,000.00
% Project Budget Increase (18/19)	100.1%

Commentary:

Nil

Summary:

Nil

Anticipated Completion Date:

Budget revision process completed January 2019.

Attachments:

Nil.

Tabled Items:

Nil.

Report Prepared by: Manager Asset Governance

G/3.3.2. TONDOON BOTANIC GARDENS WATER SUPPLY

Responsible Officer: General Manager Strategic Asset Performance

Council Meeting Date: 18 December 2018

File Ref: PR4.1

Purpose:

The purpose of this report is to advise Councillors of the limitations of the existing water supply system for the Tondoon Botanic Gardens and options to provide the gardens with a reliable and safe water supply that will meet current and future demand.

Officer's Recommendation:

That Council:

1. Endorse Option 2B to extend the existing Tondoon Botanic Gardens internal water main to the north of the depot area and connect directly to the irrigation network.
2. Reallocate \$135,000 from Capital Project PKC0180 to construct Option 2B in 2018/19.

Background:

The Tondoon Botanic Gardens delivers a conservation function, providing an endangered flora collection for plants endemic to the Port Curtis region, while also providing a high-value community facility. It has been recognised by Australian Geographic in 2018 as one of the top ten Regional Botanic Gardens in Australia.

The preservation of this collection is reliant on sufficient long-term irrigation and water supply. In addition to this, the irrigation system is also utilised as a major defence for the gardens in the event of a fire.

History of Water Supply for Tondoon Botanic Garden

Council first began taking water from Lake Tondoon for irrigation of the gardens in 1985 and has continued this practice when enough water was available in the lake and required to supplement the treated (potable) water supply.

Due to a dry period in 2015 and issues with the pump system, the lake water was not being used and potable water was being solely utilised. Based on water meter readings in 2015 and 2016, the Tondoon Botanic Gardens had an estimated water usage of 280 – 370kL/day for irrigation purposes only. This was supplied solely from a metered connection on the Gladstone Area Water Board (GAWB) supply main that connects the Gladstone Water Treatment Plant to South Gladstone Reservoir. Due to the pressurised nature of the main, there was sufficient head available to fill Mt Biondello Reservoir, which being at the same height as South Gladstone Reservoir is difficult to fill under gravity.

As part of Council works in 2016 (for Dixon Drive Water Main Upgrade), it was agreed between Council and Gladstone Area Water Board to disconnect Mt Biondello Reservoir from the GAWB supply main and reconnect via Council's existing reticulation network in the Zone D Reservoir Supply Zone. Water supplied through the new connection point is at a lower pressure due to it flowing via gravity. Pressure can significantly impact on the amount of water that can be supplied, therefore the lower pressure results in less water flow into Mt Biondello Reservoir.

Due to the lower pressure at the supply point, irrigation demands have been met by both:

1. Tondoon Lake pumped into Mount Biondello reservoir and then gravity fed to the gardens; and
2. Potable water gravity fed from Council's reticulation system into Mt Biondello Reservoir.

Table 1 below summarises how irrigation water is sourced.

Table 1: Summary of historic average water usage from water meter readings

Year	Volume Lake Water (kL/day)	Volume Treated water (kL/day)	Total Volume (kL/day)
2015-2016	0	280-370	280-370
2016-2018	295 - 335	35 - 75	370

Prior to the supply point being changed in 2016, irrigation demands were solely met by potable water. Since the supply point was changed in 2016, only 10 to 20% of irrigation water has been sourced from the potable water network, with the majority sourced from Lake Tondoon.

Modelling suggests that Lake Tondoon water is being preferentially used over potable water. The potable water system, even at the lower pressure levels, can generally supply 150 – 200 kL/day. It should be noted that on high demand days, when the levels in GAWB's South Gladstone Reservoir can't be sustained, the potable water supply rates may be lower.

Current Water Supply Arrangement

Lake Tondoon is a limited water source, reliant on regular rain events to replenish the lake and meets approximately 80 – 90% of the water demands for the gardens. Following a rain event at the end of October 2018, Lake Tondoon is estimated to have sufficient water to meet irrigation demands for another 4 to 8 weeks. After this time, the gardens will be solely reliant on the potable water connection.

The issues at Tondoon Botanic Gardens have arisen due to dry weather patterns experienced in the region this year. As shown in Figure 1 below, a rain gauge at Gladstone Airport has recorded low monthly total rainfalls for 2018 when compared to previous years.

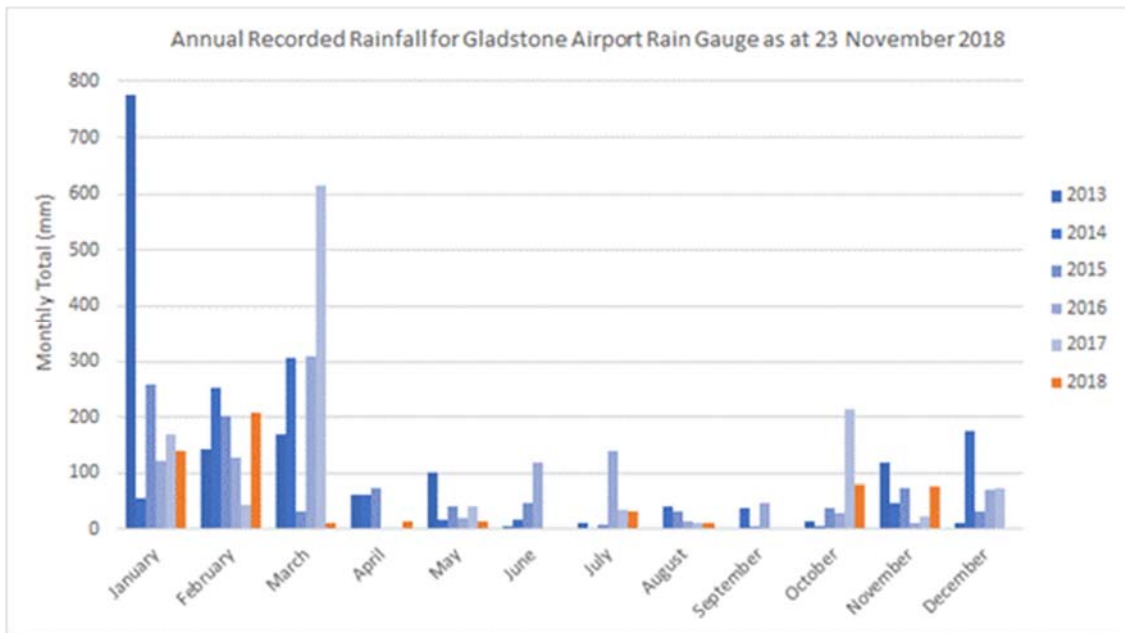


Figure 1: Annual Recorded Rainfall for Gladstone Airport Station

Council officers have recently received advice that it does not have the required licence under the *Water Act 2000* to take water from Lake Tondoon. This matter will need to be resolved (see Legal, Environment and Policy Implications for further information) if Council wishes to continue using water from Lake Tondoon.

The Mt Biondello Reservoir is not roofed. Council regularly receives reports of members of the public swimming in the reservoir. Anecdotally it appears that swimming only occurs when the reservoir is filled with potable water. Swimming is less likely to occur when the reservoir is filled with lake water. Uncontrolled swimming in the reservoir represents a safety risk.

Long term options have been investigated to secure a reliable and sufficient water supply that will meet the current and future irrigation demands of the Tondoon Botanic Gardens, as well as reduce the safety risk at Mt Biondello reservoir.

Consideration:

Option 1: Do nothing to the system and truck supplementary water in when required

Under this option irrigation water would continue to be provided by a combination of potable water and lake water. In the event of prolonged dry weather, supplementary water would be tanked into the gardens to meet the shortfall between potable water supply and irrigation demands. This shortfall could vary between 80 kL/d and 220 kL/d depending on irrigation demands for the park and potable water demands in the wider network.

An investigation into temporary water supply via water trucks was conducted to determine the costings and suitable options available.

Estimated costs of supplying supplementary water, based on an average daily shortfall of 170kL/d are provided in Table 2 below for a number of raw water supply points. It should be noted that GAWB has offered to provide raw water at no cost to Council as a short-term solution.

Table 2: Short Term Water Truck Costing Assessment for 13500L Water Trucks

GAWB Raw Water Connection	Connection required for water truck access	Distance (round trip) km	No of trucks per day	Total labour (hrs/day)	Total Estimated \$/day (Council)	Total Estimated \$/day (Supplier)
Boat Creek Storage Pond	Pump to extract from pond required	34	3	18	\$1,695	\$2,520
Callemondah Drive	Minor retrofitting to existing connection required	14	2	13	\$1,250	\$1,680
Toolooa Offline Storage Facility	No additional works required	13	2	12	\$1,130	\$1,680

Based on the above assessment, the preferred raw water source is the Toolooa offline storage facility. Taking water from this point, Council would require two (2) trucks minimum (13,500L capacity each) running for approximately 6 hours each day to meet the shortfall of 170kL/day.

The Roads Program Delivery team however have identified that it may not have the resources available internally to meet this task requirement. Council would need to look at outsourcing the tankering activities.

Based on the 12 month forecast for the Wide Bay and Burnett Region, rainfall is expected to be 'near normal' in December 2018 to October 2019, with 'below normal' predicted for July 2019 (see Figure 2 below).

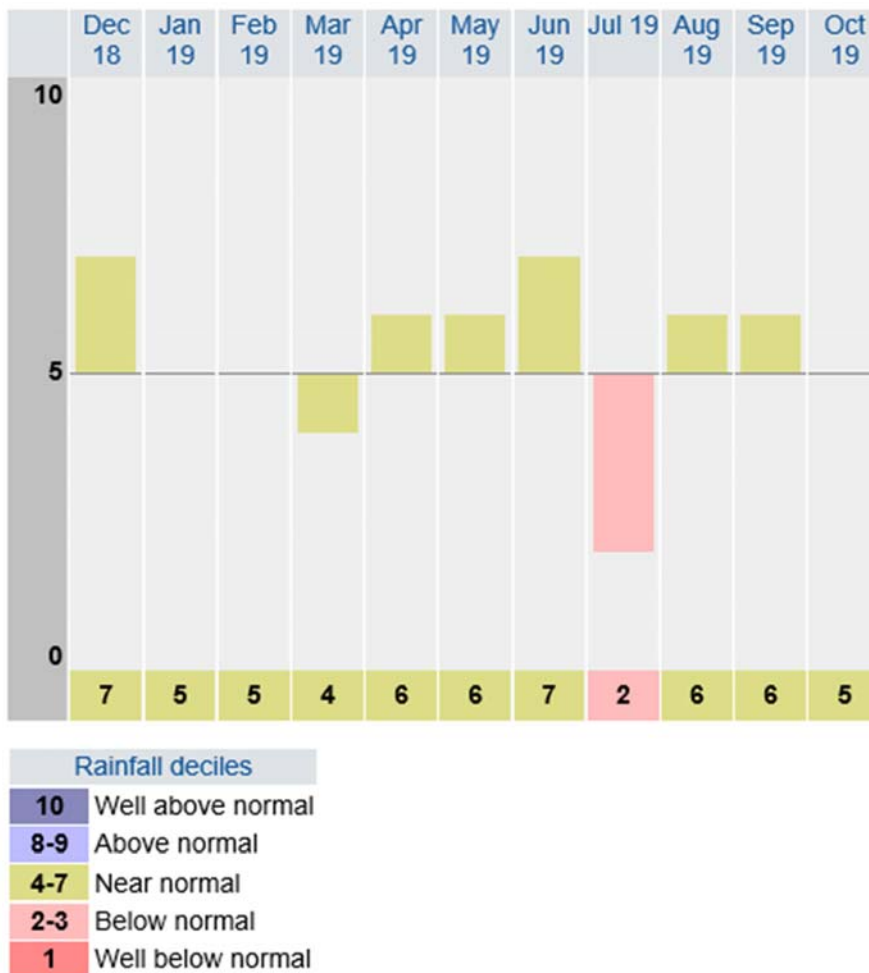


Figure 2: 12 month Rainfall Forecast for Wide Bay and Burnett Region

<http://www.farmonlineweather.com.au/long-range-forecast/12-month-rain/qld/wide-bay-and-burnett>

It is assumed:

- The garden will receive adequate rainfall to refill the lake in January-March.
- There will be a shortfall in irrigation water during April to September.

Due to the fact that Council does not have a valid licence to extract water from Lake Tondoon, water will need to be trucked in until a licence can be obtained. The cost to truck water while the licence is obtained is expected to be \$141,000 (assuming it takes 3 months to obtain a licence).

The anticipated costs to implement this option over the longer term is estimated below in Table 3 and includes the following:

- Annual backflow test to protect the potable water supply
- Exercising valves and hydrant maintenance (every 2 years)
- Preparing operating manuals and review (every 3 years)
- Water costs – potable water based on daily usage of 200kL/day
- Short term trucking of water (based on the assumption of 3 months per year)

Table 3: Expected Maintenance, Operational and Capital Costs for Option 1

Activity	Cost per activity	Cost over 20 year period
Annual backflow test on existing connection	\$48	\$960
Exercising Valve/Hydrant Maintenance (every 2 year)	\$3040	\$30,400
Obtain Water Licence (including preparation of Application)	\$18,500	\$18,500
Replacing Plants	\$5000	\$100,000
Trucking Water (3 months per year)	\$1680/day	\$2,961,000
Water costs (potable)	\$131,400	\$2,628,000
TOTAL O&M		\$5,738,860
TOTAL CAPITAL		\$0

Additionally, Council has received advice that Council does not have a licence under the *Water Act 2000* to take water from Lake Tondoon. Based on the regulations an exemption from requiring a licence is not likely. Therefore, to achieve this option, a licence is required to be obtained. See Legal, Environment and Policy Implications for further information.

If the shortfall of water is not met through trucking or obtaining a licence to draw from the lake then this will impact on the visual amenity of the gardens that are provided as a community asset, tourist destination and event space. It will also be an additional cost to Council to replace any plants that are lost at these times.

Option 2A: Extend existing Tondoon Botanic Gardens Depot water main (alignment A)

Under Option 2A the existing service water main would be extended through the Tondoon Botanic Gardens Depot (currently providing water from Glenlyon Road to the Tondoon Botanic Gardens Depot) and connect directly into the existing irrigation network (as shown in Attachment 1). Under this option the direct connection to the irrigation system would alleviate the pressure issues associated with getting water into the reservoir.

Works required to implement this option include:

- Cutting existing asphalt and reinstatement (approximately 70m)
- Extension of the 100mm water main (including connections into existing) (approximately 95m)
- Installation of backflow prevention devices.

Using existing staff, the cost to complete this scope of work works is estimated to be \$115,000 (including 40% contingency).

The estimated maintenance and operational costs associated with this option are outlined in Table 4 and includes the following:

- Annual backflow test
- Exercising valves and hydrant maintenance (every 2 years)
- Operating manuals development and review (every 3 years)
- Water costs – potable water based on daily usage of 370kL/day.

Table 4: Expected Maintenance, Operational and Capital Costs for Option 2A

Activity	Cost per activity	Cost over 20 year period
Backflow Test	\$48	\$960
Exercising Valve/Hydrant Maintenance (every 2 year)	\$3040	\$30,400
Operational Manual Policy Development and Review (every 3 years)	\$1,625	\$11,375
Water costs (potable)	\$243,090	\$4,884,535
TOTAL O&M		\$4,927,270
TOTAL CAPITAL		\$115,000

Advantages:

- Officers at Tondoon Botanic Gardens have direct access and control to switch over to potable water supply when needed.
- Creates a sufficient, reliable source of water to meet future water demands, even during dry weather periods (provided potable water restrictions are not in place).
- Potable water usage is recorded (through the existing water meter) allowing for monitoring and review when necessary for future planning.
- Decreased risk of residents swimming in Mt Biodello Reservoir as it will not be filled with potable water.
- Separation of potable and raw water, with the potable water supply protected through a backflow prevention device.

Disadvantages:

- Capital costs have not been allocated, therefore impact on ability to deliver other capital works.
- Backflow prevention device requires annual testing and poses risk of failure.
- Temporary access constraints for Council vehicles accessing the Tondoon Botanic Gardens depot during construction
- Using treated water which is less suitable for irrigation compared with raw water (from the lake or GAWB).
- Potential increase to Council's reserved Maximum Daily Quantity (MDQ) supplied by GAWB due to the direct connection. This has the potential to increase the cost of supply.

Option 2B: Extend existing Tondoon Botanic Gardens Depot water main (alignment B):

Option 2B is to connect the irrigation system to the existing service water main through the back of the Tondoon Botanic Gardens depot (currently providing water from Glenlyon Road to the Tondoon Botanic Gardens depot) to connect directly into the existing irrigation network (as shown in Attachment 1).

Capital costs for this option are estimated at \$135,000 (with 40% contingency) to complete the following scope of works:

- Excavating through rock (approximately 95m)
- Installation of 100mm water main (including connections to existing) (approximately 95m)
- Installation of backflow prevention devices.

The estimated maintenance and operational costs for this option are summarised in Table 5 and includes the following:

- Annual backflow test
- Exercising valves and hydrant maintenance (every 2 years)
- Operating manuals development and review (every 3 years)
- Water costs – potable water based on daily usage of 370kL/day

Table 5: Expected Maintenance, Operational and Capital Costs for Option 2B

Activity	Cost per activity	Cost over 20 year period
Backflow Test	\$48	\$960
Exercising Valve/Hydrant Maintenance (every 2 year)	\$3040	\$30,400
Operational Manual Policy Development and Review (every 3 years)	\$1,625	\$11,375
Water costs (potable)	\$243,090	\$4,884,535
TOTAL O&M		\$4,927,270
TOTAL CAPITAL		\$135,000

Advantages:

- Officers at Tondoon Botanic Gardens have direct access and control to switch over to potable water supply when needed.
- Creates a sufficient, reliable source of water to meet future water demands, even during dry weather conditions provided restrictions are not in place.
- Separation of potable and raw water networks.
- Potable water usage is recorded (through the existing water meter) allowing for monitoring and review when necessary for future planning.
- Decreased risk of residents swimming in Mt Biondello Reservoir as it will not be filled with potable water.
- Minimum disruption to Council vehicles accessing Tondoon Botanic Gardens depot.

Disadvantages:

- Cost that will need to be reallocated from another project to complete
- Backflow prevention device will require annual testing and potential risk of failure.
- Increased risk of additional costs due to uncertainty of needing to excavate rock as site is steep and primarily undeveloped at this site.
- Using treated water which is less suitable for irrigating compared with raw water (from lake or GAWB).
- Increase to Council's reserved Maximum Daily Quantity (MDQ) due to direct connection, which may increase cost of supply.

Option 3: Extend existing GAWB raw water mains to connect into Mt Biondello Reservoir

Under this option, Mt Biondello Reservoir would be supplied from the GAWB raw water main which runs from Toolooa to Mt Miller. This option would require construction of a new supply main as shown in Attachment 1.

A high-level cost estimate has been prepared for Option 3 based on preliminary advice from GAWB, unit rates from the Local Government Infrastructure Plan (LGIP) and final project costs for similar works previously completed by GAWB. The capital cost is estimated to be in the vicinity of \$1,140,000 covering the following scope of work:

- Excavating through rock and removal of vegetation/trees in Council's road reserve (approximately 800m).
- Installation of 150mm water main (including connections to existing) along the western side of Glenlyon Road (approximately 800m.)
- Installation of a steel pipe support bridge over the railway line (required due to previous geotechnical investigations in the area).
- Cutting existing asphalt and reinstatement to cross Dixon Drive (approximately 16m).

- Cutting existing footpath and reinstatement (minor works).
- Disconnection of existing potable water connection.
- Traffic management during construction along Glenlyon Road and Dixon Drive.

In addition, raw water would need to be trucked to site whilst approvals are sought, designs are completed and construction finalised. Assume that these costs will be in the order of \$300,000 over two years.

Advantages:

- Creates a sufficient, reliable source of water to meet future water demands, even during dry weather, provided restrictions are not in place.
- Raw water usage can be recorded allowing for monitoring and review when necessary for future planning.
- Using raw water which is more fit for the purpose of irrigating compare to treated (potable) water.
- Reduced risk of people swimming in the reservoir as it will not be filled with potable water.

Disadvantages:

- Significant capital costs and risks to complete the project
- This option would require significant planning and design before construction could commence, thereby potentially increasing the duration needed for short-term water trucking options and costs.
- Disruption to traffic on major roadways during construction.
- Disruption to railway corridor during construction.
- Delays in obtaining railway corridor approvals to construct required main. Approvals could take over 12 months to finalise.

In addition to these costs, the total estimated maintenance and operational costs is outlined in Table 6 and includes the following:

- Annual backflow test
- Exercising valves and hydrant maintenance (every 2 years)
- Maintenance on railway structure
- Control Valves on inlet to reservoir
- SCADA control (RTU board maintenance)
- Operating manuals development and review (every 3 years)
- Water costs – raw water based on daily usage of 370 kL/day (\$0.90/kL - based on high level indicative cost from GAWB received 11/12/18)

Table 6: Expected Maintenance, Operational and Capital Costs for Option 3

Activity	Cost per activity	Cost over 20 year period
Backflow Test	\$48	\$960
Exercising Valve/Hydrant Maintenance (every 2 year)	\$1520	\$30,400
Annual inspection on railway structure	\$1500	\$30,000
Maintenance on railway structure during 20 yr)	\$50,000	\$100,000
SCADA control (RTU board maintenance)	\$1,105	\$22,100
Operational Manual Policy Development and Review (every 3 years)	\$1,625	\$11,375
Water costs (raw water)	\$121,545	\$2,430,900
Truck Water	\$300,000	\$300,000
TOTAL O&M		\$2,925,735
TOTAL CAPITAL		\$1,140,000

Option 4: Review of watering practices in Tondoon Botanic Gardens to reduce demand

Option 4 involves carrying out a review of the existing irrigation practices at Tondoon Botanic Gardens to identify if additional efficiencies could be gained or areas under irrigation reduced.

In discussions with Tondoon Botanic Gardens staff, it is estimated that since the restricted water supply issue was identified, watering practices have been reduced from 400kL/day to an estimated 200kL/day as a temporary solution to extend the capacity of the existing water supply. During this time, the risk of minor loss and deterioration of plants has increased.

Any future review of watering practices within the Tondoon Botanic Gardens would require significant time and research due to the complexity of the existing ecosystems within the gardens and seasonal influence. It has also been noted that the irrigation assets are nearing end of life and there could be significant water loss through the irrigation pipes.

At a high-level assessment, this proposed option is estimated to cost \$150,000 - \$180,000 (based on consultancy needs and water trials that would be required to be completed by the Tondoon Botanic Gardens staff).

The total expected maintenance and operational costs would be entirely dependent on the recommendations that are generated out of the review process.

Summary of Options

A summary of the options is shown in Table 7.

Table 7: Summary of Maintenance, Operational and Capital Costs for all Options

Option	Capital Costs	O&M costs over 20 years	Total costs over 20 years
Option 1	\$0	\$5,738,860	\$5.7M
Option 2A (no water licence)	\$115,000	\$4,927,270*	\$5.0M
Option 2A (with water licence)	\$115,000	\$1,015,000^	\$1.1M
Option 2B (no water licence)	\$135,000	\$4,927,270*	\$5.1M
Option 2B (with water licence)	\$135,000	\$1,015,000^	\$1.2M
Option 3	\$1,140,000	\$2,925,735	\$4.1 M
Option 4	\$150,000 - \$180,000	Dependent on future recommendations	\$0.2M

*Higher operating and Maintenance costs for 2A and 2B are primarily due to water costs being twice as much as raw water. Additionally, Option 2A, 2B and 3 assume no water is taken from Lake Tondoon.

^If a licence to take water from Lake Tondoon is granted and we continue to only use treated (potable) water for 20% of our total daily usage then the operating and maintenance cost are significantly lower due to cost of treated water.

Communication and Consultation (Internal/External):

Consultation has occurred with relevant Council departments, including Asset Planning (Strategic Asset Performance), Tondoon Botanic Gardens (Community Development and Events), Environment and Conservation (Strategic Asset Performance), Water Program Delivery (Operations) and Roads Program Delivery (Operations).

Additional consultation was undertaken with members of the Gladstone Area Water Board, including site inspections of short-term water supply sources in the area and discussions of possible connection points for a long-term solution. Due to the significance of the Tondoon Botanic Gardens to the Gladstone community and working in good faith with Council, raw water can be provided by GAWB at no additional cost to Council for a 2 - 3 month period, if required.

Legal Environmental and Policy Implications:

Council currently does not have a licence to take water from Lake Tondoon. Correspondence from the Department of Natural Resources, Mines and Environment (DNRME) regarding the use of water from Lake Tondoon indicate:

- Tondoon Ck is a watercourse for the purposes of the *Water Act 2000*.
- The dam (Lake Tondoon) sits within the *Water Plan (Calliope River Basin) 2006* area so unless an exception applies a water licence or water permit may be required.
- Section 99 of the *Water Act* sets out activities that can be undertaken by constructing authorities – by virtue of s24 of the *Water Regulation 2016* the taking of water must be in accordance with a document called “*Exemption requirements for constructing authorities for the taking of water without a water entitlement*”. See attachment 2 list of exemptions.
- Section 101 of the *Water Act* also provides that a person can undertake certain activities prescribed by the regulation. These prescribed activities are set out in Schedule 3 of the Regulations. Notably Schedule 3 includes managing a public recreation area with less than 0.5ha under irrigation and rehabilitating riparian land. Additionally, the maximum water usage is 5ML per year.
- With regards to adding water to Tondoon Dam from another source (i.e. taking raw water from GAWB, which comes from Awoonga Dam) is called a re-lift and we would be required to obtain a Licence to re-lift.

The area irrigated at Tondoon Botanical Gardens is greater than 0.5ha and Council uses more than 5ML/year of water therefore exemption as spoken about above is highly unlikely.

The implication of continuing to take water from Lake Tondoon without authority will be 1665 penalty units which is around \$210 000.

Council Officers have drafted a water licence application and are proceeding as a matter of priority to submit the application. The processing time could take 90 business days however is not prescribed and therefore could take longer or shorter depending on the quality of information provided in the application.

Financial and Resource Implications:

There is no Capital Budget currently allocated in the 2018/19 financial year to undertake the project work recommended in this report. To fund a water supply option, funds may be reallocated from Capital Project PKC0180 – Demonstration Gardens - \$250,000.00 to ensure this project work can be implemented. This will reduce the scope of works deliverable this year for the Demonstration Gardens project and will require additional funding in future years to complete the identified scope of works.

If water is required to be supplied by water trucks on a temporary basis, this will come at an estimated cost of \$1,680/day (not including cost of water). This cost would be funded by existing operational funds for Tondoon Botanic Gardens.

Commentary:

Discharging directly treated water into Lake Tondoon

A high-level investigation was also conducted to determine if a hose/pipe could be connected to the existing potable water connection and discharged directly into Tondoon Lake as a short term or long-term solution. This option was ruled out due to:

- Increased risk of tripping hazards through a high pedestrian area of the Tondoon Botanic Gardens
- Potential negative impacts to the existing ecosystem of the lake with the introduction of treated water, specifically chlorine.
- Scouring of lake floor and increase turbidity of the water.
- Need to obtain a Licence to Re-lift (i.e. put water into Lake Tondoon) under the *Water Act 2000*. Through this process Council would need to demonstrate the environmental impact treated water has on the natural watercourse. Council's Environment and Conservation team have advised that they would not recommend this option as there are a number of unknowns including:
 - Licence requirements
 - No potentially required monitoring in place
 - Condition of weir in Lake Tondoon is unknown
 - Lake Tondoon is currently not a Referable Dam (in accordance with the *Water Act 2000*) however it is unsure whether it has been assessed fully to determine if it is or isn't a Referable Dam when the Act was changed.
 - Impact of chlorine on the environment

Other options considered

Other options were investigated however were either discounted or considered much longer-term solutions that require further investigation.

- Using effluent from South Trees Waste Water Treatment Plant. A previous study completed in 1997 discounted this option however as a longer-term solution this report could be updated to determine feasibility.

- Installing a pump on the existing treated water connection into Mt Biondello Reservoir. This was discounted due to Council policy not allowing a pump to be directly connected to Councils reticulation network and therefore a break tank being required with the pump. Also due to ongoing operating and maintenance costs.
- Reconnecting to GAWB's supply main (as per previous arrangement). GAWB officers have advised that this is not an option due to the water quality risk to the network.
- Raising reservoir levels in South Gladstone Reservoir to increase flow to Mt Biondello Reservoir. GAWB officers have advised that South Gladstone reservoir normally operates in the top 20-30% of the reservoir and cannot be raised higher. Alternate connection points to GAWB's raw water network for Option 3 are available however were estimated to have similar (if not larger) costs than the connection point assumed for Option 3.

Summary:

Nil

Anticipated Completion Date:

Option 1 is reliant on getting a licence to extract water from Lake Tondoon which could take longer than the assumed 3 months. This is a risk to Option 1.

Options 2A and 2B are anticipated to be completed by the Water Program Delivery Team, with support from the Tondoon Botanic Gardens Officers within approximately 6 months once approved.

Option 3 will require further design and consultation with GAWB before construction can commence. The total project time is likely to be significant, approximately 2 years.

Attachments:

1. Tondoon Botanic Gardens Water Supply – Proposed Alignment Options

Tabled Items:

Nil.

Report Prepared by: Engineer – Modeller – Asset Planning

G/3.3.3. BENARABY LANDFILL CELL 3A PROJECT

Responsible Officer: General Manager Strategic Asset Performance

Council Meeting Date: 18 December 2018

File Ref: WM2.1, WM11.1

Purpose:

The purpose of this report is to allow the Council to consider a proposal to construct the new cell (Cell 3A) at Benaraby Landfill earlier than it is currently scheduled in the Long Term Financial Plan.

Officer's Recommendation:

That Council allocate the following amounts in the identified financial years to deliver Cell 3A at the Benaraby Landfill:

- a. \$50,000 in the 2018/19 financial year from GNC0083 - external designs - other;
- b. \$1,209,000 in the 2019/20 financial year;
- c. \$6,703,000 in the 2020/21 financial year; and
- d. \$1,768,000 in the 2021/22 financial year.

Background:

In June 2011, Council lodged a Material Change of Use development application for the staged expansion of the existing landfill facility and an Environmentally Relevant Activity 60(1)(a) - Waste disposal at the existing Benaraby Landfill site at 48567 Bruce Highway, Benaraby. The application was approved in May 2012 and included Stages 2, 3 (made up of 3A and 3B) and 4 of the landfill plus the landfill's final landform with the final capping configuration. Stage 2 has since been completed which involved the construction of Cell 2. Cell 2 is currently being utilised to dispose of waste.

Based on documentation submitted as part of the development application, the lifespan of Cell 2 would result in Cell 3A being required by the 2019/20 financial year with design and construction amounts (\$220,000 and \$2,850,000 respectively) included in the Long Term Financial Plan between 2014/15 and 2018/19 and an additional amount in 2021/22 for the construction of Cell 3B (\$2,500,000).

In November 2014, a tender was issued under Contract 55/15 for the detailed design of Cells 3A, 3B and 4, which was awarded in December 2014. This contract at its completion provided a Technical Specification and detailed design drawings for Cell 3A only. No documentation could be located that explained the reduction in scope; however, it is noted that the bulk earthworks for Cell 3A do assist in providing the landform for Cell 3B.

In November 2016, a waste consultancy firm provided Council with a bill of quantities for the construction of Cell 3A. The bill of quantities estimated that Cell 3A would cost approximately \$5,346,000 (2016 dollars) for the construction of Cell 3A only. It is noted that the total cost of the bill of quantities did not include:

- Additional design work required for the creek diversion;
- Operational Works approval fees;
- A contingency, which is applied to all construction projects undertaken by Council;
- Contract and project management services as are typically provided for projects of this magnitude; or
- The capping of Cell 2, which is required shortly after filling the remaining airspace on the cell.

In mid 2017, the budget items for Cell 3 were pushed out and the values reduced in the Long Term Financial Plan and are currently as follows:

Table 1

Description	Financial Year	Amount
Construction Cell 3A	2022/23	\$1,300,000
Construction Cell 3A	2023/24	\$1,320,000
Construction Cell 3B	2029/30	\$2,500,000

No allowance has been made in the long term financial plan for capping of Cell 2, additional design for the creek diversion, operational works fees or contract and project management services.

On 20 March 2018, the Queensland Government announced the introduction of a waste levy of \$70/tonne to landfill to commence in March 2019 to increase recycling and recovery and to decrease the quantity of waste that was being transported from New South Wales (which has had a waste levy for some time). The Queensland Government has since amended the draft legislation (on 17 November 2018) to include a waste levy of \$75/tonne commencing on 1 July 2019.

In August 2018, the Manager Waste Program Delivery raised concerns about the remaining airspace in cell 2. Asset Planning was requested to estimate when the remaining airspace in Cell 2 would be filled and, thus, when Cell 3A would need to be completed by. This was estimated based on the most recent remaining airspace survey at Cell 2 and historic waste generation data that allowed trends to be considered.

At the start of November 2018 there was approximately 139,000m³ of airspace left in Cell 2. There are several projections of how waste generation may change after 1 July 2019 due to the introduction of the waste levy, which are shown below:

- Projection 1: No reduction in waste generation rates as a result of the Levy
- Projection 2: Expected waste reuse / recycling rates as a result of the levy (I.e. reuse/recycling of commercial and industrial waste and construction and demolition waste)
- Projection 3: Higher waste reuse / recycling due to levy (I.e. higher reuse/recycling of commercial and industrial waste and construction and demolition waste)
- Projection 4: High reduction in waste generation due to levy (I.e. reduction in amount of waste through the gates at the landfill and reuse/recycling of commercial and industrial waste and construction and demolition waste)

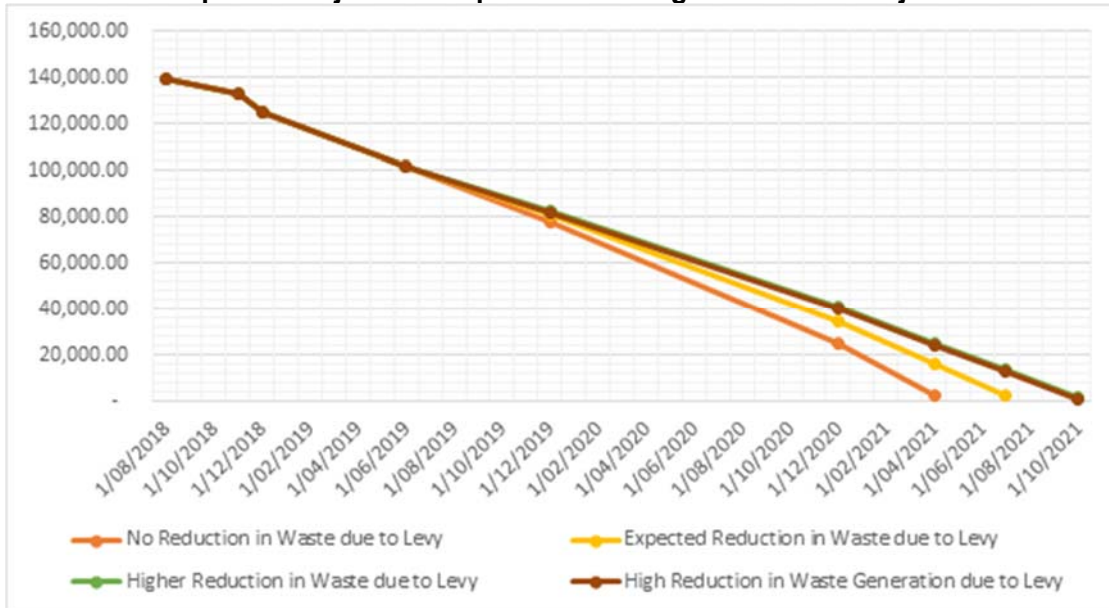
For each projection the estimated date that the remaining airspace will be filled was calculated and is detailed in Table 2. Further details, including assumptions, can be found in Attachment 1.

Table 2 – Remaining Airspace in Cell 2 based on Waste Projections’ Assumptions

	Projection 1: No Reduction in Waste due to Levy	Projection 2: Expected Waste Reuse / Recycling due to Levy	Projection 3: Higher Waste Reuse / Recycling due to Levy	Projection 4: High Reduction in Waste Generation due to Levy
Date Airspace is Filled	30 April 2021	31 July 2021	31 October 2021	31 October 2021

Average Rate of Waste to Landfill (m³ per month)	4,573.4m ³ /mth	4,144.7m ³ /mth	3,789.4m ³ /mth	3,789.4m ³ /mth
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Graph 1 – Projected Airspace Remaining in Cell 2 for Projection 1 to 4



With an expected reduction in waste to landfill after the introduction of the waste levy, it is anticipated that the remaining airspace will be filled approximately by the end of July 2021.

To deliver Cell 3A prior to the end of July 2021, the following tasks would need to be completed:

- Design of the creek diversion to provide sufficient land area for the construction of Cell 3A (6 months to complete);
- Apply for and receive Operational Works and relevant environmental approvals for the works (9 months to complete); and
- Construction of Cell 3A (16 months to complete including 1 month for tender).
- Capping of Cell 2 (4 months to complete)

Attachment 2 outlines the project timelines for each Projection strategy.

Consideration:

Construction of 3A

Option 1 – Construct in accordance with current Long Term Financial Plan (LTFP)

This option involves:

- Design and Construct Cell 3A over 2021/22 to 2023/24 in accordance with adopted LTFP. Budget revised to \$9,730,000, which is an additional \$7,130,000 than adopted in the LTFP.
- Transporting the waste generated in the Gladstone Region to other Local Government areas (I.e. Rockhampton Region, Banana Shire, Bundaberg Region etc.) from the time that the remaining airspace at Cell 2 is filled (July 2021) and prior to completing Cell 3A (Dec 2023). Estimated cost over 29 months is \$41,596,000 (based on \$17,212,000 per year in transportation, levy and gate charges) as per below table.
- Total Cost for this option is \$51,326,000.

	Transportation Charges	Levy Charges	Gate Charges	Total
Cost per tonne	\$120	\$75	\$119.50	\$314.50
Cost per year	\$6,567,000	\$4,105,000	\$6,540,000	\$17,212,000
Total Cost (29mths)	\$15,871,000	\$9,920,000	\$15,805,000	\$41,596,000

Note: The levy will be applied to domestic waste and due to it not going to GRC landfill, Council may not receive the payment from the Queensland Government to offset the impact of the waste levy on households (approximately \$2,052,500 per year, based on previous years tonnage of domestic waste disposed to landfill). This offset has not been taken off the total cost in table above.

- Revised Project estimate to fund the project and amendments required to LTFP are:
 - Transportation, levy and gate charges:
 - \$15,778,000 in the 2021/22 financial year;
 - \$17,212,000 in the 2022/23 financial year; and
 - \$8,606,000 in the 2023/24 financial year.
 - Design and Construction cost of Cell 3A
 - \$277,000 in the 2021/22 financial year;
 - \$4,640,000 in the 2022/23 financial year; and
 - \$4,813,000 in the 2023/24 financial year.

Advantages:-

- Nil

Disadvantages:-

- Estimated that Council will fill the remaining airspace at Cell 2 prior to completing Cell 3A and for approximately 2.5 years Council will be unable to send waste to a landfill within the Gladstone Region.
- Currently, Council receives approximately \$5,100,000 in revenue from the Benaraby Landfill, which would not cover the cost of disposing waste in another Local Government Area. To recover these additional costs, Council would have to increase the cost for residents and businesses to use the landfill/transfer stations, which could impact on potential for new businesses developing and/or operating in the Gladstone Region due to the high cost to dispose of their waste.
- Resource and staff impact due to the landfill cells ceasing to be active for approximately 2.5 years.
- Additional risk to Council of relying on another Local Government to continue to provide an essential Council service (i.e. waste disposal).
- May jeopardise continued waste stream to Benaraby Landfill, which is critical for the potential Waste to Energy project as other disposal options are found or traditional waste generators innovate to reduce water volumes.

This is not the preferred option as this will prevent Council from disposing waste to landfill for approximately 2.5 years as well as high costs and impacts on staff.

Option 2 – Construct Cell 3A prior to 31 July 2021

This option involves:

- Allocating/relocating budget items over 2018/19 to 2021/22 financial years to fund the project, including:
 - \$50,000 in the 2018/19 financial year;
 - Design of creek diversion - \$50,000
 - \$1,209,000 in the 2019/20 financial year;
 - Operational Works fees - \$128,000
 - Amendments to design (as required) - \$50,000
 - Construction (assumed cost of 2 months out of 15 months construction) - \$1,031,000
 - \$6,703,000 in the 2020/21 financial year
 - Construction (assumed remainder of cost) - \$6,703,000
 - \$1,768,000 in the 2021/22 financial year
 - Capping of Cell 2 - \$1,768,000
- Total Estimated cost is \$9,730,000 (includes contingency on all construction costs)

Advantages:-

- Complete the construction of Cell 3A prior to the remaining airspace at Cell 2 being filled
- Do not have to transport waste out of the Gladstone Region to dispose in other Local Government areas
- Minimises resource and staff impacts on Operations
- Council controls the risk to provide essential waste disposal service (not another Council)
- Allows direct transition from disposing in Cell 2 to Cell 3A when the remaining airspace in utilised in Cell 2
- Secures continued waste stream to Benaraby landfill for the potential Waste to Energy project.

Disadvantages:-

- Significant cost involved in the next three financial years which is not currently budgeted in the Long Term Financial Plan
- Construction of significant waste infrastructure does not appear to align with Council's intentions to reduce and eventually have zero waste to landfill, though it is noted that a waste to energy scheme may still generate residual waste for disposal.

This is the preferred option as this will enable Council to continue disposing waste to landfill without any interruptions between the time that the airspace in Cell 2 is filled and the time that waste disposal to Cell 3A is commenced.

Construction of Cell 3B

Cell 3A creates 541,000m³ of airspace and based on usage rate of 4,144.7m³/month (based on Projection 2: Expected Waste Reuse / Recycling due to Levy), Cell 3B would need to be constructed by 2031/32.

Activity	Expected start date	Expected completion date
Construction Cell 3B (assume 3 years to plan/design/construct)	2029/30	2031/32
Waste to energy Facility (assuming 6 years from start of feasibility report to construction complete)	2018/19	2024/25
Target zero waste to landfill in operational plan.	2050 – State target	Ongoing

Note:

- a. A tender will be issued shortly for the preparation of Council's waste strategy, which will determine the type of waste to energy facility, which could impact the timeframe for delivering this facility.
- b. LGAQ is currently pursuing a target of 2035 for zero waste to landfill.

Based on the above table, the waste to energy facility will be built prior to Cell 3B being required. After the waste to energy facility commences operation, a small amount of byproduct (and waste that cannot be used in the facility, depending on the type of facility constructed) will be disposed to Cell 3A. Therefore, Cell 3B may still be required but significantly later than 2031/32. This will be confirmed after the waste strategy is completed and, thus, the type of waste to energy facility has been determined.

Communication and Consultation (Internal/External):

Communication and consultation has occurred between the Asset Planning, Waste Program Delivery, Asset Governance and Strategy and Transformation Teams to ensure that the estimated remaining lifespan of Cell 2 is as accurate as possible.

Communication and consultation has also occurred with the Strategy and Transformation Team in relation to the impact of Council's overall waste strategy (being developed in 2018/19) on the timing and requirement for Cell 3A and B. This included a workshop with officers from Strategy and Transformation, Asset Planning, Waste Program Delivery, Asset Governance and Environment and Conservation Teams and representatives from the Executive Team.

Legal Environmental and Policy Implications:

The impact of the waste levy on the volume of waste disposed to landfill may affect the remaining lifespan of Cell 2 of the landfill.

Council will be preparing an overall waste strategy, which could impact on the volume of waste disposed to landfill in the future financial years, that incorporates a waste to energy facility. Despite the intention to significantly reduce the volume of waste being disposed to landfill as part of the overall waste strategy, the timeframe for achieving this will mean that Cell 3A will still be required at the dates identified in this report.

Financial and Resource Implications:

Construction of 3A

Option 1 –

- Transportation, levy and gate charges:
 - \$15,778,000 in 2021/22;
 - \$17,212,000 in 2022/23; and
 - \$8,606,000 in 2023/24.
- Design and Construction cost of Cell 3A
 - \$277,000 in 2021/22;
 - \$4,640,000 in 2022/23; and
 - \$4,813,000 in 2023/24.

Option 2 -

- \$50,000 in 2018/19;
- \$1,209,000 in 2019/20;
- \$6,703,000 in 2020/21; and
- \$1,768,000 in 2021/22.

Officers in the Strategy and Transformation Business Unit are investigating external funding options for the construction of Cell 3A. The intent being to apply for funding that opens in 2019.

The impacts of option 2 on the Long Term Financial Plan have been reviewed and it was identified that it reduced the Cash Expense Cover Ratio below the desired 3 months. While this review did take into account changes in Council's budgetary position over the last six months, it did not consider the current relatively low percentage of capital spent. It is anticipated that more detailed considerations will be undertaken as part of the six-monthly long term financial plan review which may assist to return the ratio to recommended levels.

Construction of Cell 3B

The below is the currently proposed distribution of costs based on updated generation rates and delivery timeframes for Cell 3B. The cost has been based on the \$2,500,000 currently in the LTFFP for 2029/30.

- \$80,000 in 2029/30;
- \$920,000 in 2030/31; and
- \$1,500,000 in 2031/32.

The timing and costs associated with Cell 3B will be reviewed as part of the budget revision process.

Commentary:

The Waste Program Delivery Team have commenced weighing the amount of clean fill that is utilised in Cell 2, which should enable the compaction ratio of the waste to be more accurate in future calculations and, thus, improve the accuracy of the estimated remaining lifespan of Cell 2. Additionally, the remaining airspace in Cell 2 is being monitored monthly with surveys undertaken.

Summary:

Nil.

Anticipated Completion Date:

Changes to the IPP will be completed by May 2019.

Attachments:

1. Remaining Airspace in Cell 2 – Assumptions and Calculations
2. Project Timeline

Tabled Items:

Nil.

Report Prepared by: Engineer – Asset Planning

G/3.3.4. PERMANENT ROAD CLOSURE OF PART OF FRIEND STREET, BARNEY POINT - ADJACENT TO LOT 11 ON CP 848669

Responsible Officer: General Manager Strategic Asset Performance

Council Meeting Date: 18 December 2018

File Ref: CP2.1; RD7.1

Purpose:

The purpose of this report is to seek Council's approval to apply for the permanent closure of part of Friend Street, Barney Point – adjacent to Lot 11 on CP 848669, pursuant to s99(1)(b) of the *Land Act 1994*.

Officer's Recommendation:

That:

1. Council approves the application for Permanent Road Closure, pursuant to s99(1)(b) of the *Land Act 1994*, of part of Friend Street, Barney Point, adjacent to Lot 11 on CP 848669 signed on 11 October 2017 and submitted to the Department of Natural Resources Mines and Energy on 16 October 2017; and
2. The Chief Executive Officer be authorised to negotiate and accept an offer from the Department of Natural Resources Mines and Energy for the Permanent Road Closure.

Background:

Funds are allocated in the 2018-19 Budget for the upgrade of the A06 Sewer Pump Station (the Pump Station). The Pump Station is situated on a Council managed road. Council owns the adjoining Lot 11 on CP848669 (Lot 11) (refer to Attachment 1 for a map of Lot 11). Based on initial designs for the upgrade, Lot 11 is not only insufficient to accommodate the proposed works but the fact that Lot 11 is located between road and railway makes the land difficult to access.

Council officers identified that part of the road adjacent to Lot 11 (the Road Closure Area) could be acquired to facilitate the proposed works (refer to Attachment 2).

An application for the Permanent Closure of the Road Closure Area, pursuant to s99(1)(b) of the *Land Act 1994* was prepared by Council officers and signed on 11 October 2017 (the Application). The Application was submitted to the Department of Natural Resources Mines and Energy (DNRME) by email on 16 October 2017.

The delegation for the making of an application for a permanent road closure pursuant to s99(1)(b) of the *Land Act 1994* sits with Council and can only be exercised by resolution of Council. A review of records indicates that there was no resolution of Council authorising the then CEO to make the Application.

In accordance with DNRME's requirements, Council's intention to permanently close the Road Closure Area was publicly advertised from 6 December 2017 to 5 January 2018 on site. The proposed closure was also advertised in the Observer. During the objection period objections were received from Ergon Energy and Telstra who have assets within the Road Closure Area. These objections have been satisfactorily addressed by Council. No further objections were received.

On 22 February 2018, under cover of letter dated 19 February 2018, Council received an offer from DNRME for the permanent closure of the Road Closure Area. The offer was subject to the following conditions:

1. Payment of \$21,122.50 consisting of the value for the road (\$18,500) and associated expenses;
2. Lodgment of a Survey Plan;
3. Completion of a Form 1 Transfer;
4. Completion of easement documents to satisfy Ergon Energy Corporation Limited; and
5. Satisfaction of Telstra's requirements.

This offer was subsequently accepted by Council and almost all conditions, including the payment of the \$21,122.50 have been satisfied.

As it stands, the road has not yet been closed. Council's approval of the Application is sought prior to Council officers satisfying the final conditions of DNRME's offer.

Consideration:

Council have the following options:

1. Approve the Application which will lead to the acquisition of the Road Closure Area and the amalgamation with Council's adjoining Lot 11; or
2. Not approve the Application which may impact the officers' ability to deliver the upgrade of the Pump Station.

OPTION 1 – APPROVAL OF THE APPLICATION

Whilst the final design is yet to be completed, the only alternative to the proposed road closure is for Council to acquire a portion of the adjoining Lot 21 on SP182694 (Lot 21) which is privately owned land. Dependent on the final design for the upgrade, there may be a need to acquire part of Lot 21 for drainage purposes however, this is in addition to the Road Closure Area not as an alternative. Council officers have had preliminary discussions with the owner of Lot 21 though further design work is required to determine Council's requirements of Lot 21.

In addition to providing land for the upgrade, the application also gives Council the opportunity to acquire the land that the existing Pump Station is situated on. Whilst Council is responsible for the management of the Road Closure Area while it remains road, Council will have greater control over this site once converted to freehold and amalgamated with Lot 11.

Once the project team have certainty of land tenure they can progress with the detailed design of the Pump Station upgrade.

OPTION 2 – NO APPROVAL

Council and DNRME officers have been working together for over 12 months in order to finalise the acquisition of the Road Closure Area. If Council were to withhold their approval, the Application would have to be withdrawn. This is likely to delay the delivery of the upgrade of the Pump Station. While Council is likely to receive a refund of the offer monies paid to DNRME, Council will have incurred the costs associated with advertisement, survey and internal resources to date.

Communication and Consultation (Internal/External):

The road closure application was advertised both on site and in the Observer.

No objections were received to the proposed road closure with the exception of Telstra and Ergon. Both Ergon and Telstra's concerns have been resolved to the satisfaction of DNRME.

Legal Environmental and Policy Implications:

It would be reasonable for the Department of Natural Resources Mines and Energy to assume that the former CEO had the authority to make such an application, regardless of the absence of a delegation.

Whilst there are no immediate legal implications for Council, a resolution approving the application is sought to prevent Council from breaching its obligations in the *Local Government Act 2009*.

Council has no policies or policy statements that specifically deal with the acquisition of land by way of permanent road closure. However, the *Corporate Property Policy P-2016-23 Resolution G/16/2823* states at 6.1, page 2, that one of Council's over-riding philosophies governing actions concerning the property portfolio is to "*acquire, hold, develop, manage and/or dispose of assets that serve the greatest public good considering all (strategic and operational) economic, environment and social factors*". Further, 6.2.2, page 4 that Council may decide to purchase land and property for statutory, public or investment/redevelopment purposes.

Financial and Resource Implications:

DNRME's offer for the permanent road closure included a condition that Council would pay the sum of \$21,122.50 for the acquisition of the Road Closure Area. In addition, Council has paid for the survey of the Road Closure Area.

There will be no additional financial or resource implications should Council approve the Application.

Commentary:

Nil.

Summary:

Nil.

Anticipated Completion Date:

Should Council resolve to approve the Application, Council officers will satisfy the remaining conditions of the offer by 5 February 2019.

Attachments:

1. Map of Lot 11; and
2. Map of Road Closure Area.

Tabled Items:

Nil.

Report Prepared by: Property Acquisition and Disposal Specialist

**G/3.3.5. PROPOSED LEASE TO OPTUS MOBILE PTY LIMITED - LEASE P IN LOT 1
ON SP263704 ON SP 307915**

Responsible Officer: General Manager Strategic Asset Performance

Council Meeting Date: 18 December 2018

File Ref: CP8.2

Purpose:

To confirm that land described as Lease P in Lot 1 on SP263704 on SP307915 can be leased to Optus Pty Limited for the purposes of a telecommunication tower (or facilities ancillary to) without the land having previously been offered in a tender or auction process pursuant to s236(1)(c)(vi) of the *Local Government Regulation 2012*.

Officer's Recommendation:

That Council accept, in accordance with section 236(1)(c)(vi) of the *Local Government Regulation 2012*, an exception to the disposal of a valuable non-current asset (land) by tender or auction, to apply to the lease of freehold land described as Lease P in Lot 1 on SP263704 on SP307915 to Optus Mobile Pty Ltd for the purposes of a telecommunication tower (or facilities ancillary to).

Background:

Optus Mobile Pty Limited ACN 054 365 696 (Optus) wish to install an antenna on Telstra's Telecommunication Tower situated on freehold land owned by Council at 53 Tannum Sands Road, Tannum Sands, otherwise described as Lot 1 on SP 263704. The site is adjacent to the Tannum Sands Reservoir and is shown on the attached map in Attachment 1.

The installation of the antenna on Telstra's tower requires the construction of fenced compound containing a small building to house Optus' infrastructure. Council requires Optus to enter into a lease prior to commencing construction of their infrastructure.

At a Finance and Corporate Governance Committee Meeting on 25 October 2016 the report "*FCGC/5.9 Proposed Optus Lease – Tannum Reservoir Land*" (the report) was presented to the Committee recommending:

"That:

1. Council advise Optus that it is prepared to lease a portion of Lot 1 on SP 263704 for a compound; and
2. Delegate authority to the Chief Executive Office to finalise negotiations of the lease."

The Committee resolved as follows:

"That the Officer's Recommendation be adopted"

FCGC/16/0098 Committee Recommendation

Moved Cr Trevor

Seconded Cr Masters

The Committee's Recommendation FCGC/16/0098 was adopted by Council at the General Meeting on 1 November 2016 (viz Resolution: G/16/2911). A copy of the Report and relevant Resolutions are included in Attachment 2.

In accordance with Council's resolution lease negotiations with Optus have been finalised and Optus has provided execution copies of the lease to Council for signing.

Section 227 of the *Local Government Regulations 2012* (the Regulations) provides that a local government cannot enter into a contract for the disposal of land (including a lease) unless it first:

- (a) invites written tenders for the contract under s228; or
- (b) offers the non-current asset for sale by auction.

Section 236 of the *Regulations* lists a number of exceptions to the requirement to dispose by tender or auction, including the disposal of land for the purpose of a lease for a telecommunication tower (s236(1)(c)(vi)). However, as per s236(2) of the *Regulations* this exemption can only apply:

".. if before the disposal, the local government has decided, by resolution, that the exception may apply to the local government of the disposal of a valuable non-current asset other than by tender or auction."

Council have not passed a resolution to satisfy s236(2) of the *Regulations* and the Lease has been negotiated without a tender or auction process having taken place.

Consideration:

Council will be in breach of its obligations within the Regulations unless prior to executing the lease to Optus:

1. there is a process whereby the lease area is offered for tender or auction; or
2. Council resolves that the exception in s236(1)(c)(vi) applies to the Lease.

Optus has negotiated the Lease with Council in good faith based on Council's 1 November 2016 resolution and the advice of Council officers. To run a tender process at this stage of the lease process would be both costly and there is a risk that Optus could instigate Court proceedings against Council.

As the land in question adjoins the Tannum Sands Reservoir it is highly undesirable to have any other party occupying the proposed lease area.

A tender process would cause a significant delay to both the completion of the lease and would delay Optus customers receiving the benefit of improved telecommunications.

Council's resolution on 1 November 2018 indicates Council's intention to enter into a lease with Optus. The negotiations of the Lease are complete and the area has been surveyed. A resolution to apply the exception in s236(1)(c)(vi) is merely an administrative requirement to give effect to Council's resolution of 1 November 2016.

Communication and Consultation (Internal/External):

Optus have been advised of the administrative impediment to the finalisation of the Lease.

Legal Environmental and Policy Implications:

Should Council choose to run a tender process there is a risk that Optus could commence court proceedings or exercise rights under the *Telecommunications Act 1997 (Cth)* to gain access to and possession of the site.

The Lease is consistent with Council's *Corporate Property Policy P-2016-23 Resolution G/16/2823* in that the Lease will provide a financial benefit to Council through rental income as well as contributing to the social needs of the community by facilitating improved telecommunication facilities.

Council's *Asset Disposal Policy P-2016-15 Resolution G/16/2824* at 6.5, page 3, lists a number of circumstances where land can be disposed without a tender or auction process. This satisfies the

requirements of s236(2) of the *Regulations* (prior resolution of Council) however, the Asset Disposal Policy fails to make reference to a disposal for the purposes of a telecommunication tower and as a result 6.5 of the Asset Disposal Policy is not applicable in this instance.

The Asset Disposal Policy is due to be reviewed during 2019.

Financial and Resource Implications:

A tender process does have the potential to be costly in terms of expenditure and resources. There is no financial or resource implications associated with the application of the exception contained in s236(1)(c)(vi) of the *Regulations*.

Commentary:

Nil.

Summary:

In order to comply with the provisions of the Local Government Regulation 2012 prior to the Chief Executive Officer executing the lease between Council and Optus Mobile Pty Limited, Council must either:

1. Run a tender process for the lease of land described as Lease P in Lot 1 on SP263704 on SP307915; or
2. Resolve that the exception in s236(1)(c)(vi) of the *Local Government Regulation 2012* applies to the lease to Optus Mobile Pty Limited.

Anticipated Completion Date:

Should Council resolve to that the exception in s236(1)(c)(vi) of the *Regulations* applies to the lease, the Lease signed by the CEO will be returned to Optus by 11 January 2019.

Attachments:

1. Location Map of Proposed Lease Area
2. Report *FCGC/5.9 Proposed Optus Lease – Tannum Reservoir Land* and Resolutions

Tabled Items:

Nil.

Report Prepared by: Property Acquisition and Disposal Specialist

G/3.4. OPERATIONS

Nil.

G/3.5. COMMUNITY DEVELOPMENT AND EVENTS**G/3.5.1. ASSESSMENT OF SPORT AND RECREATION 2018/19 CLUB DEVELOPMENT GRANT (ROUND 1) AND 2018/19 FACILITY ASSISTANCE GRANT (COMMUNITY PROJECTS)****Responsible Officer: General Manager Community Development and Events****Council Meeting Date: 18 December 2018****File Ref: SR3.1****Purpose:**

The Sport and Recreation Grants Assessment Panel has completed assessments and made recommendations for projects to receive funding under the following grant programs:

1. 2018/19 Club Development Grant – Round 1; and
2. 2018/19 Facility Assistance Grant Program (Community Projects)

Officer's Recommendation:

That Council fund the below applicants, subject to funding conditions being applied where necessary:

2018/19 CLUB DEVELOPMENT GRANT – ROUND 1		
Sporting Organisation	Project	Recommended Funding
Baffle Creek Boat Club	Purchase of Equipment	\$893
Discovery Coast Sport and Recreation Association	Purchase of Equipment	\$655.20
Gladstone Amateur Basketball Association	Purchase of Equipment	\$1200
Gladstone Junior Golf Club	Professional Development	\$1200
Gladstone Martial Arts Academy	Purchase of Equipment	\$1200
Gladstone Swimming Club	Purchase of Equipment	\$944
Past Brothers Junior Rugby League Football Club (Gladstone)	Volunteer Training	\$1200
Port Curtis Sailing Club	Strategic Plan Development	\$1200
Scout Association of Australia Qld Branch (Port Curtis District Scouts)	Purchase of Marketing Equipment	\$1200
TOTAL		\$9,692.20

2018/19 FACILITY ASSISTANCE GRANT PROGRAM – Community Projects		
Sporting Organisation	Project	Recommended Funding
Captain Creek Community Sport and Recreation Association Inc	Purchase of Plant	\$20,400
Gladstone Harbour City BMX Club Inc	Construction of Asphalt Berm (corner)	\$19,307.20
Meteors Sports Club	Purchase of Plant	\$16,000
Scout Association of Australia Qld Branch (Awoonga Scout Campsite)	Purchase of Solar and Flail Mower	\$9,722.40
TOTAL		\$65,429.60

Background:

Council administers sport and recreation grant programs to support the local sporting/recreational communities.

There were 2 grants that opened Monday, 6 August 2018, and closed Sunday, 16 September 2018. These were Club Development Grant – Round 1 (2 rounds per financial year) and Facility Assistance Grant – Community Project (1 round per financial year).

Club Development Grant

To assist with a range of initiatives including education and training, club planning, equipment purchases and participation activities. The funding allocated for 2018/19 Round 1 is \$10,000 which can be distributed over multiple organisations that are eligible, with the maximum grant available being \$1,200.

Successful applicants are to complete the project by 8 March 2019 and submit the acquittal by 5 April 2019.

Facility Assistance Grant (Community Project)

To improve opportunities for community participation in local sport and recreation and delivers long term benefits to the Gladstone regional community. The funding allocated for 2018/19 is \$100,000 which can be distributed over multiple organisations that are eligible, with a minimum grant of \$2,500 and maximum grant of \$60,000.

Successful applicants are to complete the project by November 2019 and submit the acquittal by December 2019.

Consideration:

All applications received for Club Development Grant and Facility Assistance Grant (Community Project) were assessed against the Assessment and Approval of Facility Assistance and Club Development Grants Policy (P-2014/37) (Attachment 1), Council's Amalgamation of Open Space and Recreation Plans (Attachment 2) and the associated guidelines (Attachments 3-4 respectively).

Each application was given an assessment score (which was based on application content only, not eligibility), and was considered by the Sport and Recreation Grants Assessment Panel on 9 November 2018.

Club Development Grant - \$10,000 (multiple projects)

A total of nine (9) Club Development Grant applications were received. The total of the project costs submitted was \$13,210.60, with funding requested totalling \$9,693.

2018/19 CLUB DEVELOPMENT GRANT – ROUND 1		
Sporting Organisation	Project	Funding Requested
Baffle Creek Boat Club	Purchase of Equipment	\$893
Discovery Coast Sport and Recreation Association	Purchase of Equipment	\$656
Gladstone Amateur Basketball Association	Purchase of Equipment	\$1200
Gladstone Junior Golf Club	Professional Development	\$1200
Gladstone Martial Arts Academy	Purchase of Equipment	\$1200
Gladstone Swimming Club	Purchase of Equipment	\$944
Past Brothers Junior Rugby League Football Club (Gladstone)	Volunteer Training	\$1200
Port Curtis Sailing Club	Strategic Plan Development	\$1200
Scout Association of Australia Qld Branch (Port Curtis District Scouts)	Purchase of Marketing Equipment	\$1200
TOTAL		\$9,693

Seven (7) of the nine (9) applicants did not provide all the required documentation or meet the set criteria.

Due to the Club Development Grant being of low value, i.e no more than \$1,200 per organisation, the Sport and Recreation Grants Assessment Panel decided that instead of penalising these organisations for not providing the required documentation, those applicants recommended for funding would be conditioned to provide the necessary documentation prior to the funds being released.

The Sport and Recreation Grants Assessment Panel recommends to fund all the applications received for the requested funding amount (except Discovery Coast Sport and Recreation Association), subject to conditions being met (where applicable) prior to the funds being released.

It was recommended that the Discovery Coast Sport and Recreation Association funding amount be reduced to \$655.20 (not \$656) to ensure they contributed 20% of the total project cost. Accordingly, the total funding recommended is \$9,692.20.

Facility Assistance Grant (Community Project) - \$100,000 (multiple projects)

A total of six (6) Facility Assistance Grant (Community Project) applications were received. The total of the project costs submitted was \$128,985.16, with funding requested totalling \$103,156.74.

2018/19 FACILITY ASSISTANCE GRANT PROGRAM – Community Projects		
Sporting Organisation	Project	Funding Requested
Captain Creek Community Sport and Recreation Association Inc	Purchase of Plant	\$20,400
Gladstone Athletics Club	Purchase of Field Irrigation and Surface Upgrade	\$35,200
Gladstone District Bushwalkers Club	Purchase of Equipment	\$2,526.54
Gladstone Harbour City BMX Club Inc	Construction of Asphalt Berm (corner)	\$19,307.20
Meteors Sports Club	Purchase of Plant	\$16,000
Scout Association of Australia Qld Branch (Awoonga Scout Campsite)	Purchase of Solar and Flail Mower	\$9,723
TOTAL		\$103,156.74

Five (5) of the six (6) applicants did not provide all the required documentation or meet the set criteria.

Due to the high number of applicants that did not provide the required documentation or meet the set criteria, and funding requested being of a higher value, a decision was made to contact these organisations and request the information that was needed to complete the assessment.

The Sport and Recreation Grants Assessment Panel recommends that Captain Creek Community Sport and Recreation Association Inc, Gladstone Harbour City BMX Club Inc, Meteors Sports Club Ltd and Scout Association of Australia Qld Branch (Awoonga Scout Campsite), be funded for the requested amount, subject to conditions being met (where applicable) prior to the funds being released.

Gladstone Athletics Club was not recommended as the applicant does not have a formalised lease agreement in place and Gladstone District Bushwalkers Club did not meet the project criteria.

Council could take into consideration that Gladstone Athletics Club has been operating at their current site for more than thirty (30) years, and accept in good faith that the current unformalised agreement will remain in place. However, this does not technically fall within the eligibility criteria of “own, lease or control a facility within the Gladstone region”. If this project was to be included as part of the recommendation, the total funding would amount to \$100,630.20 (\$630.20 over the budgeted amount of \$100,000).

Discussions were also undertaken as to whether Council should be funding projects being undertaken on land that is not Council owned/controlled (i.e Gladstone Athletics Club and Scout Association of Australia Qld Branch (Awoonga Scout Campsite). However, the current policy in place, Assessment and Approval of Facility Assistance and Club Development Grants Policy, does not specifically mention that it must be on Council owned or controlled land, it just says “own, lease or control a facility within the Gladstone region”.

Communication and Consultation (Internal/External):

- Cr Hansen
- Cr Masters
- Manager Engagement and Partnerships
- Community Investment Officer
- Community Development Officer – Sport and Recreation
- Community Engagement Specialist

Sport and Recreation Grants Assessment Panel met on 9 November 2018 to discuss all grant applications received.

Legal Environmental and Policy Implications:

The assessment was undertaken in accordance with Council's Assessment and Approval of Facility Assistance and Club Development Grants Policy (P-2014/37) and associated guidelines.

Financial and Resource Implications:

Council's 2018/19 budget commitment for these grants are as follows:

- Club Development Grant (Round 1) - \$10,000 - If the recommended applications are funded, totalling \$9,692.20.
- Facility Assistance Grant (Community Project) - \$100,000 – If the recommended applications are funded, totalling \$65,429.60.

Commentary:

Nil

Summary:

Nil

Anticipated Completion Date:

Awarding of grants anticipated to occur by end January 2019, subject to resolution.

Attachments:

1. Assessment and Approval of Facility Assistance and Club Development Grants Policy (P-2014/37)
2. GRC Amalgamation of Open Space and Recreation Plans
3. Club Development Grant Guidelines
4. Facility Assistance Grant – Community Project Guidelines

Tabled Items:

Nil.

Report Prepared by: Community Investment Officer

G/3.5.2. MARLEY BROWN OVAL HIRE

Responsible Officer: General Manager Community Development and Events

Council Meeting Date: 18 December 2018

File Ref: CP11.1

Purpose:

To endorse the fees and charges and related documentation for the hire of Marley Brown Oval as an event space.

Officer's Recommendation:

That Council adopt the proposed fees and charges for the hire of Marley Brown Oval:

Ground Hire:	\$6,500 per event
Site Preparation Fees:	\$300 - \$1,200 (negotiable based on event requirements)
Post Event Cleaning:	\$200 - \$1,500
Bond (payable within 14 days of booking confirmation):	Events with less than 2000 attendees - \$1,500 Events with more than 2000 attendees - \$3,000
Bump In & Bump Out	Daily rate of \$500 for each day prior and following the event until the venue is returned in the agreed upon condition by the hirer
Deposit:	25% of total booking fee

Background:

Marley Brown Oval Gladstone is currently sub-leased to Gladstone Rugby League. Negotiations are continuing in relation to the ongoing management of local sports on this field however Gladstone Regional Council's Community Events Team will now manage event hires of this space.

GRC has developed a set of proposed fees and charges as well as the venue hire booking documentation and venue hire agreement for the space.

Fees and Charges have been based off similar venues in other Regional locations and takes into consideration the current fee charged for event hire of this space.

Consideration:

Marley Brown Oval is an appealing space to event organisers and as such, Gladstone Regional Council need to develop a standard set of fees and charges. Operationally, a formal hire process is being developed in order to ensure a consistent, transparent and safe approach to events hosted in this space.

Consideration was given to the current hire fees of the space as well as the maintenance and repair costs of using this space for events. Officer's also researched the fees and processes of similar venues in other Regions to develop the process and set competitive pricing for its use.

Communication and Consultation (Internal/External):

Various GRC representatives have consulted with Gladstone Rugby League, Gladstone Ports Corporation who own the land, event hosts who are looking to hire the space and internal stakeholders - Community Development Officer, Governance Officer, Health and Safety Business Partner and Maintenance and Logistics Specialist.

GRC's Senior Legal Advisor has been consulted in regards to development of a venue hire agreement, Council's liabilities and requirements of hirers with no major implications identified.

GRC's Governance Officer has been consulted in regards to insurance requirements and there are no major implications identified.

Research as undertaken into the management, processes and fees for other regional venues of this nature.

Legal Environmental and Policy Implications:

As part of the hire of the venue, a venue hire agreement will be negotiated and entered into. Council's Senior Legal Advisor has assisted in the development of standard terms and conditions for hire.

Financial and Resource Implications:

The hire of this venue as an event space will generate additional income for Gladstone Regional Council. Maintenance and repairs arising from use of the venue as an event space will be covered by the venue hire fees as well as a bond for damage.

Bookings of the venue and site visits required can be managed at current resource levels.

Commentary:

Officers have developed proposed fees and charges for the hire of Marley Brown Oval as an event space as listed below:

Ground Hire:	\$6,500 per event
Site Preparation Fees:	\$300 - \$1,200 (negotiable based on event requirements)
Post Event Cleaning:	\$200 - \$1,500
Bond (payable within 14 days of booking confirmation):	Events with less than 2000 attendees - \$1,500 Events with more than 2000 attendees - \$3,000
Bump In & Bump Out	Daily rate of \$500 for each day prior and following the event until the venue is returned in the agreed upon condition by the hirer
Deposit:	25% of total booking fee

In addition, the venue hire process and documentation have been developed including a Booking Form and a Venue Hire Agreement outlining Terms and Conditions of the hirer, responsibilities of GRC and responsibilities of the hirer.

Bookings will be handled by the Bookings Officer located at the Gladstone Entertainment Convention Centre who currently handles bookings for Council parks and halls. Site inspections will be carried out by GRC's Maintenance and Logistics specialist as well as a nominated Officer from the Community Events Team.

Summary:

Officers are proposing fees and charges to enable the hire of Marley Brown Oval as an event space.

Anticipated Completion Date:

January 2019

Attachments:

Nil.

Tabled Items:

Nil.

Report Prepared by: Venue Lead Gladstone Entertainment Convention Centre

G/3.6. CUSTOMER EXPERIENCE

G/3.6.1. APPROVED SYSTEMATIC INSPECTION PROGRAM- ANIMAL INSPECTION PROGRAM FOR REGISTRATION AND RENEWAL OF ANIMALS 2019

Responsible Officer: General Manager Customer Experience

Council Meeting Date: 18 December 2018

File Ref: LE2.1

Purpose:

The report seeks Council approval to implement a Proactive Systematic Approved Inspection Program under the *Animal Management (Cats & Dogs) Act 2008* (the Act) for dogs.

The objectives of the program are to contribute to improved animal owner education and animal welfare in the Gladstone Region, by fulfilling Council's obligation of enforcement of registration and renewal of registration of dogs pursuant to Act and Councils *Local Law No. 2 (Animal Management) 2011*.

Officer's Recommendation:

That Council adopt the attached Approved Proactive Systematic Inspection Program - Animal Inspection Program for Registration and Renewal of Animals 2019 for the period 01 February 2019 to 30 July 2019.

Background:

Although re-energised enforcement over the past few years has resulted in improvement in the management of Cats and Dogs in our Region, there exists opportunity to improve this further. The impacts of not improving are then felt by the community by way of issuance of enforcement notices and/or Pound fees, pressure on Council partners such as the RSPCA, and on Council by way of pressure on operating costs.

It has been observed over the past twelve months in the Local Laws department, including Council Microchipping Days, that there is a correlation between animal registration and animal welfare. Registered animals are far less likely to be admitted to the Pound, and on occasion that they are admitted to the Pound, are reunited with their owners much sooner than animals that are not registered.

Financial incentives exist currently to register animals in a timely fashion, in how animal registration is charged by Council and through reactive enforcement action eg/ barking dog complaints. However, Microchipping Days have highlighted the community engagement and animal welfare benefits of a proactive approach to enforcement.

Pursuant to section 113 of the *Animal Management (Cats and Dogs) Act 2008* (the Act), Council may by resolution approve a program (an approved inspection program) under which an authorised person may enter a place to monitor compliance with the Act or an aspect of the Act. The program will be pro-active, and intelligence based, utilizing existing data, trends and resources but in a more efficient manner.

In this application, it is proposed to undertake a systematic inspection program, by visiting, and if necessary, entering yards of premises to determine if dogs are being kept and if the dogs are registered. In addition, Local Law Enforcement Officers will be pursuing enquiries with owners that had dogs registered in 2017/2018 and have not renewed registration for the current registration period 2018/2019. Provisions relating to registration and renewal of registration of dogs are found pursuant to sections 46 and 56 of the Act.

The execution of this program would reflect Council's understanding of the challenges faced by some members of our community (financial, educational, etc) and as such, education and collaboration would be the first step in resolving matters pertaining to unregistered animals. Enforcement action (fines), while proven to be an important part of education in some cases, will be a last resort.

Notice is required to be given of the proposed inspection program at least 14 days, but no more than 28 days before an inspection program commences. Notice of the program must be published in a newspaper circulating generally in the local government's area and must be placed on Council's website.

The duration of the program will be six months commencing from 01 February 2019 and concluding on 30 July 2019. The program will extend to all areas of the Gladstone region and a copy of the program is attached.

Consideration:

Based on Council registration records, domestic animal numbers are increasing in the Gladstone Region. Without proportionate adjustment to education and enforcement efforts, the increase creates a risk to wildlife, the community and to the animals themselves.

Council has a responsibility to enforce animal registration which contributes to an effective animal management program. Accurate records reveal ownership details so that animals may be re-united with owners and also the type and number of dogs at premises which assists with control measures.

Automated, mapping based Officer dispatch is set to be trialed in the coming months. Aside from the operational efficiencies this will create, it will also supplement current data sets with geographical data from which proactive education, media campaigns, and patrols can be scheduled.

In addition, trials for Officer mobility will commence in the coming weeks. By equipping Local Laws Officers with mobile connectivity and hardware, travel and office-based time can be reduced. Time saved can then be invested into proactive, systematic, intelligence-based patrol program.

Communication and Consultation (Internal/External):

The program will be advertised to the public in the Gladstone Observer on Saturday 12 January 2019, subject to resolution by Council. It will also be advertised on Council's website for the duration of the program. Prior to program, public will be advised that persons who have failed to register previously registered animals will be issued fines for failing to register.

Internal consultation has commenced and will be ongoing with Insights & Innovations, Customer Solutions, Media & Communications and Legal departments in order to best utilise cross-functional expertise and advice. Learnings from this program will be dispersed across all compliance activities within Council.

Legal Environmental and Policy Implications:

Council has an obligation to enforce sections 46 and 56 of the *Animal Management (Cats and Dogs) Act 2008*. An approved inspection program provides the necessary powers of entry enabling collection of evidence for enforcing animal registration requirements. It is envisaged this year due to the high numbers of people still failing to register animals, even after reminders have been sent, that enforcement action will be commenced, upon inspection time for those persons who have previously registered animals and cannot provide a lawful excuse for failing to do so.

Financial and Resource Implications:

Increased registration will generate additional income to offset operating expenditure associated with delivering the community's expectation for an animal control program. The program is funded within the Local Law Enforcement / Animal Control operational budget.

Commentary:

Registration records provide necessary information to contact owners of roaming dogs. Enforcement provisions for wandering dogs at large are pursuant to the *Local Law No. 2 (Animal Management) 2011*.

Summary:

Nil

Anticipated Completion Date:

January 2019

Attachments:

1. Animal Inspection Program 2019

Tabled Items:

Nil.

Report Prepared by: Team Leader Local Laws

G/3.7. PEOPLE CULTURE AND SAFETY

Nil.

G/3.8. FINANCE GOVERNANCE AND RISK

G/3.8.1. MONTHLY FINANCIAL REPORTS FOR PERIOD ENDING 30 NOVEMBER 2018

Responsible Officer: General Manager Finance Governance and Risk

Council Meeting Date: 18 December 2018

File Ref: FM15.1

Purpose:

This report seeks Council adoption of the Monthly Financial Statements for the 2018-19 year to date, for the period ended 30 November 2018, as required under Section 204 *Local Government Regulation 2012*.

Officer's Recommendation:

That Council adopt the Monthly Financial Statements attached to this report for the 2018-19 year to date, for the period ended 30 November 2018 as required under Section 204 *Local Government Regulation 2012*.

Background:

Nil.

Consideration:

Since the adoption of the 2018-19 budget on 24 July 2018, a number of variations to budget have been processed in line with emergent needs. Revisions are visible through the Program Budgets and Aggregated Financial Statements with both Adopted and Revised Budget columns displayed. No revisions were processed in November, therefore the total impact of all changes across Council's funds and reserves for the year to date remains unchanged from last month as per below:

FUND/RESERVE	YTD BALANCE MOVEMENT (\$,M)
General Fund	▼ (531)
Sewerage Fund	-
Water Fund	-
Regional Waste Management Reserve	▼ (100)
Future Capital Works Reserve	▲ 100
Roads Constrained Works Reserve	-
Plant Asset Replacement Reserve	▼ (16)
TOTAL	▼ (547)

Statement of Income and Expenditure

The pro-rata rate as at 30 November 2018 is 42.47%

Income

Recurrent revenue is reporting within expectations at \$126.2m or 68% of the revised budget of \$186m. Notable variations from expectation include:

Net rates and utility revenue	Percentage of Revised Budget
	79%

Currently sitting at \$115.4m of the revised budget of \$146.8m. This is in line with the year to date percentage for this time last year of 77%.

The balance in rating revenue not yet levied for this year, is largely associated with the Water Consumption levy for the second half of the financial year, which will be accrued against 2018/2019 revenue after the meter reading cycle in January 2019.

Sales – Contract and Recoverable Works	Percentage of Revised Budget
	19%

Currently at \$0.1m of the revised budget of \$5.3m, work is still proceeding albeit at a slower rate than originally anticipated. No revisions have been requested that would indicate a reduction in the work to be completed.

Contributions	Percentage of Revised Budget
	25%

Currently at \$0.5m of the revised budget of \$2.1m. Contributions are received quarterly, with the next payment due in December.

Capital revenue is reporting at 9% of the revised budget, totaling \$1.8m of an expected \$20m for the year. Included in this category are:

Grants, Subsidies, Contributions and Donations	Percentage of Revised Budget
	9%

Currently at \$1.7m of the revised budget of \$18.1m, the variance is attributable to Federal Grant monies for disaster events expected to be received later in the year.

Developer Contributions	Percentage of Revised Budget
	7%

Currently at \$0.1m of the revised budget of \$2.0m. This is in line with the year to date percentage for this time last year of 9%.

Expenditure

Year to date expenditure is tracking in line with expectations, currently sitting at 36% of the revised budget of \$192.3m.

Employee benefits in line with pro-rata.

Materials and Services	Percentage of Revised Budget
	27%

Currently sitting at \$17.8m of a revised budget of \$67m. This time last year spending was at \$23m. Expenditure of this nature has been delayed as the new structure was adopted and positions were filled.

The net operating result for the year to date is \$56.7m compared to \$55m for the same period last year.

Statement of Financial Position

Year to Date Assets	Current Value	Revised Budget	Percentage of Revised Budget
	\$2.586bn	\$2.594bn	98%

As capital works progress throughout the year, Councils work in progress will increase and align total assets closer to budgeted expectations.

Year to Date Liabilities	Current Value	Revised Budget	Percentage of Revised Budget
\$164m	\$156.6m	\$148.5m	105%

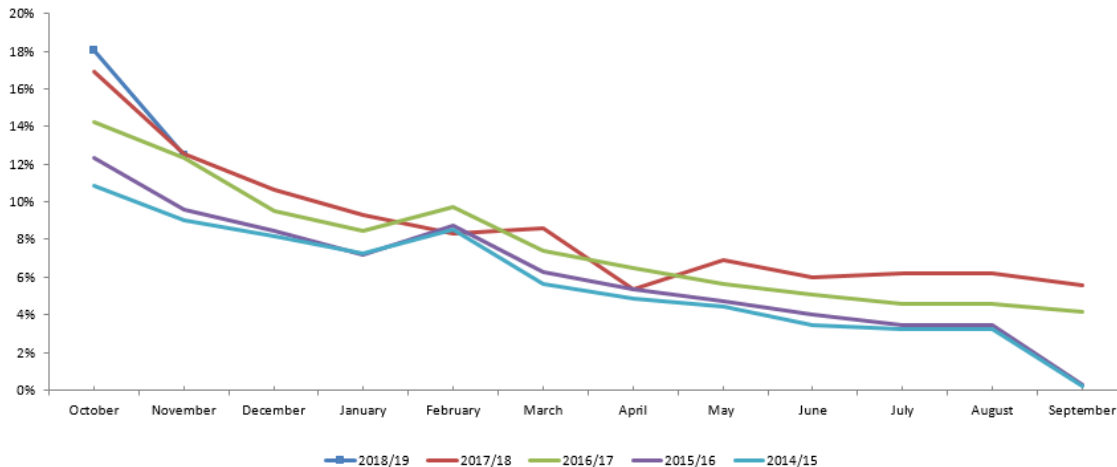
As Councils borrowing repayments are made throughout the year, liabilities will begin to trend closer to the budget.

Outstanding Rates

Outstanding rates as a percentage of gross rates levied is at 12.44% at the end of November, compared to 12.56% for the same period last year. The 5% discount period closed on 9th November.

Of the \$17.57m of outstanding rates, \$11.13m of these are not yet due, leaving an overdue balance of \$6.44m. This figure includes \$3.03m of rates that are currently being repaid under an authorised payment plan. As at 30 November there were 51 commercial/industrial assessments and 1489 residential assessments being repaid via payment plan. The total of 1540 assessments is an increase from 1261 assessments in October.

Outstanding Rates



Capital Expenditure

Year to Date Capital Expenditure	Year to Date	Revised Budget	Percentage of Revised Budget
	\$14.92m	\$104.05m	14%
Including Commitments	\$33.78m		32%

Capital works expenditure up to 30 November was 14% of the revised budget. However, when outstanding purchase orders (commitments) are included, the total capital spend is increased to 32% of budget.

Significant actual capital expenditure (not including commitments) is presented by group in the table below:

Group	Adopted Budget	Revised Budget	YTD Actual	Actuals as % of Revised Budget
Road Assets	\$36.937m	\$37.411m	\$7.248m	19%
Water Assets	\$14.263m	\$14.263m	\$2.277m	16%
Sewerage Assets	\$29.535m	\$29.535m	\$2.172m	7%
Waste Assets	\$1.645m	\$1.645m	\$0.055m	3%
Parks & Environment Assets	\$2.875m	\$3.145m	\$0.435m	14%
Delivery Support & Performance	\$2.584m	\$2.568m	\$1.048m	41%
Property Assets	\$0.000m	\$2.594m	\$0.445m	17%
Strategy & Transformation	\$6.752m	\$6.752m	\$0.177m	3%

Sustainability Ratios

Council's Sustainability Ratios for the period are generally in line with expectations at this stage of the reporting year. Early in the financial year, ratios are typically distorted given that Council raises the majority of its yearly revenue in July but incurs expenses and delivers its capital program on an incremental basis throughout the year.

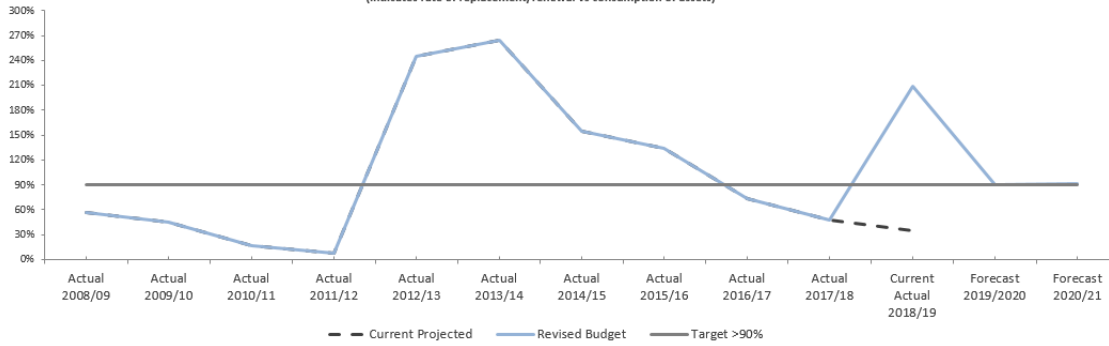
Asset Sustainability Ratio

As expenditure on Council's renewal program progresses (including NDRRA work), this result will track closer to budget

Asset Sustainability Ratio			
CURRENT YEAR TO DATE	PRIOR YEAR TO DATE	BUDGET	TARGET
35.10%	40.08%	208.19%	>90%

Asset Sustainability Ratio

(indicates rate of replacement/renewal vs consumption of assets)



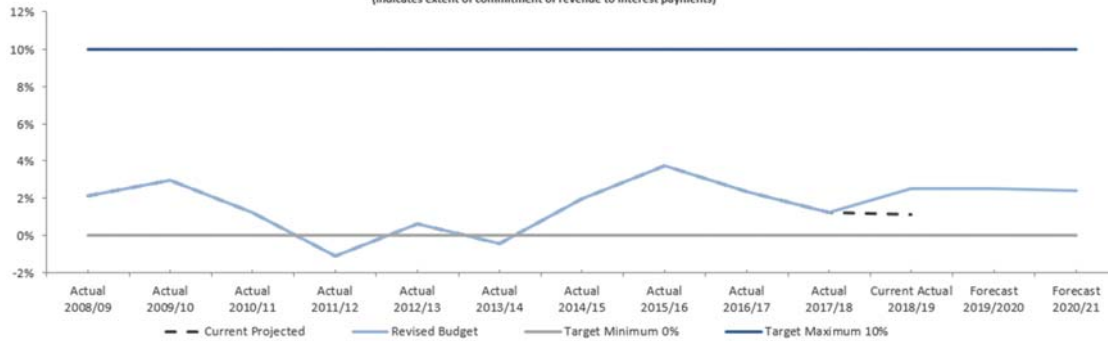
Interest Coverage Ratio

Finance costs for the year to date are \$2.6m compared to \$1.6m for the same period last year, resulting in a higher coverage ratio.

Interest Coverage Ratio			
CURRENT YEAR TO DATE	PRIOR YEAR TO DATE	BUDGET	TARGET
1.13%	0.39%	2.50%	0-10%

Interest Coverage Ratio

(indicates extent of commitment of revenue to interest payments)



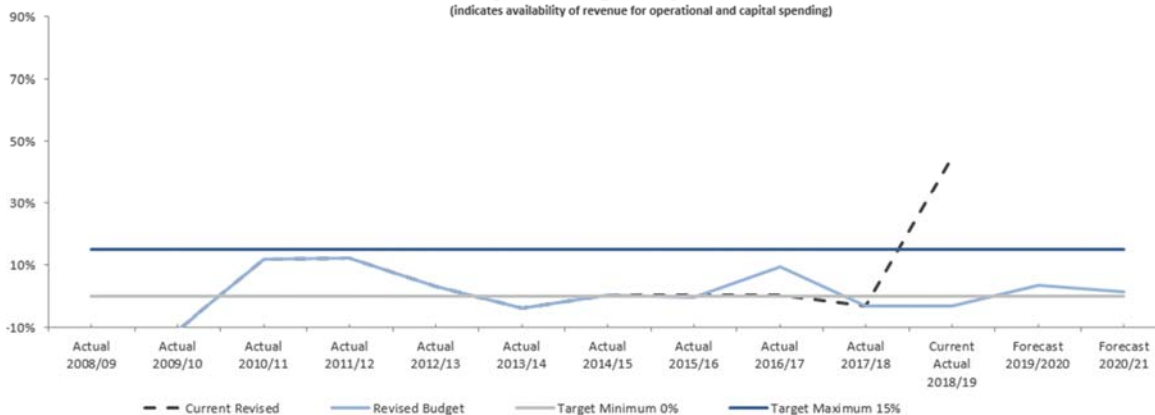
Operating Surplus Ratio

The generation of the bulk of the annual rate levy at the beginning of financial year causes the operating surplus ratio to exceed the current year revised budget ratio. This ratio is expected to align with budget as the year progresses and operating expenditure requirements are met.

Operating Surplus Ratio			
CURRENT YEAR TO DATE	PRIOR YEAR TO DATE	BUDGET	TARGET
44.94%	45.26%	-3.36%	0-15%

Operating Surplus Ratio

(indicates availability of revenue for operational and capital spending)



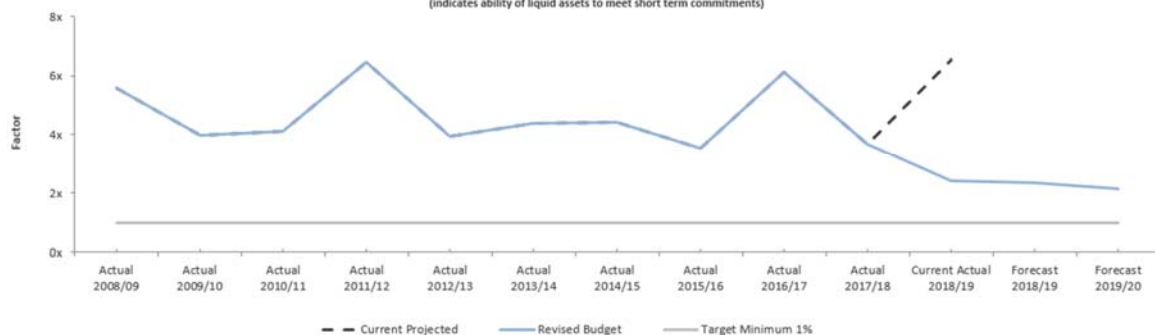
Working Capital Ratio

With the majority of the annual rating and fees and charges now generated, the resulting November ratio remains in excess of the target minimum, reflecting a healthy position for Council.

Working Capital Ratio			
CURRENT YEAR TO DATE	PRIOR YEAR TO DATE	BUDGET	TARGET
6.52x	7.43x	2.43x	>1:1

Working Capital Ratio

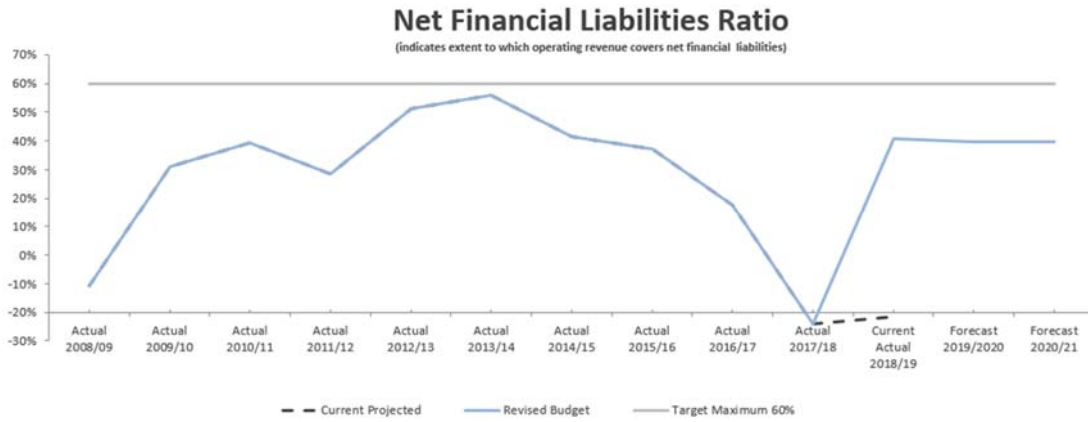
(indicates ability of liquid assets to meet short term commitments)



Net Financial Liabilities Ratio

This ratio is affected by a strong current asset value due to generation of annual rates and fees. It is anticipated to align to budget as the year progresses.

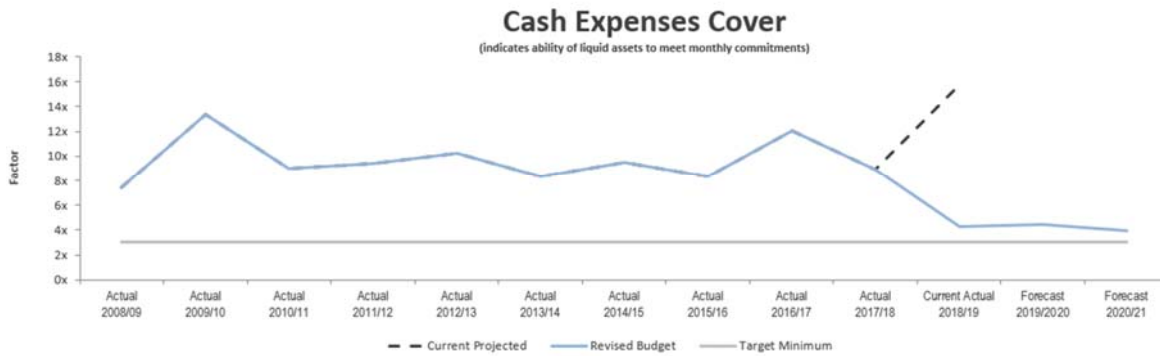
Working Capital Ratio			
CURRENT YEAR TO DATE	PRIOR YEAR TO DATE	BUDGET	TARGET
-21.71%	-22.57%	40.63%	<60%



Cash Expenses Cover Ratio

The current result reflects a continuing strong cash position, well above the target ratio.

Cash Expenses Cover Ratio			
CURRENT YEAR TO DATE	PRIOR YEAR TO DATE	BUDGET	TARGET
15.79x	17.68x	4.24x	>3x



Communication and Consultation (Internal/External):

Nil.

Legal Environmental and Policy Implications:

Nil.

Financial and Resource Implications:

Nil.

Commentary:

Nil.

Summary:

Nil.

Anticipated Completion Date:

Nil.

Attachments:

1. Operating Statement for Month End November
2. Monthly Financial Statements period ending 30 November 2018

Tabled Items:

Nil.

Report Prepared by: Accountant

G/4. COUNCILLORS REPORT

Nil.

G/5. URGENT BUSINESS

Nil.

G/6. NOTICE OF MOTION

Nil.

G/7. CONFIDENTIAL ITEMS

G/7.1. DIVESTMENT OF MIRIAM VALE AFFORDABLE HOUSING - SUNSET LODGE - 4 HANCOCK CLOSE, MIRIAM VALE

Responsible Officer: General Manager Strategic Asset Performance

Council Meeting Date: 18 December 2018

File Ref: CM8.7

Reason for Confidentiality:

This report is **CONFIDENTIAL** in accordance with Section 275 (1) of the Local Government Regulation 2012, the meeting is to be closed to the public to discuss business relating to the following: -

- (e) contracts proposed to be made by it.
- (h) other business for which a public discussion would be likely to prejudice the interest of the local government or someone else, or enable a person to gain a financial advantage.

G/7.2. 2018/2019 CAPITAL BUDGET REVISIONS

Responsible Officer: General Manager Strategic Asset Performance

Council Meeting Date: 18 September 2018

File Ref: CM7.2

Reason for Confidentiality:

This report is **CONFIDENTIAL** in accordance with Section 275 (1) of the Local Government Regulation 2012, the meeting is to be closed to the public to discuss business relating to the following: -

- (h) other business for which a public discussion would be likely to prejudice the interest of the local government or someone else, or enable a person to gain a financial advantage.

G/7.3. A01 PUMP STATION UPGRADE

Responsible Officer: General Manager Operations

Council Meeting Date: 18 September 2018

File Ref: CM8.7

Reason for Confidentiality:

This report is **CONFIDENTIAL** in accordance with Section 275 (1) of the Local Government Regulation 2012, the meeting is to be closed to the public to discuss business relating to the following: -

- (e) contracts proposed to be made by it.

ATTACHMENTS