

Minutes for this meeting will be confirmed at the Planning, Environment & Development Committee Meeting to be held in the Council Chambers, Council Administration Building, on 21 July 2005 commencing 5pm.



COFFS HARBOUR CITY COUNCIL
ORDINARY MEETING
(CITY BUSINESS UNITS COMMITTEE)
COUNCIL CHAMBERS
COUNCIL ADMINISTRATION BUILDING
COFF AND CASTLE STREETS, COFFS HARBOUR
7 JULY 2005
Commencing At 5.00 PM

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CONFIDENTIAL ITEMS

The following items either in whole or in part may be considered in Closed Meeting for the reasons stated:

CITY BUSINESS UNITS DEPARTMENT REPORTS

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A portion of these reports are confidential for the reason of Section 10A(2):

- (d) commercial information of a confidential nature that would, if disclosed:
 - (i) prejudice the commercial position of the person who supplied it, or
 - (ii) confer a commercial advantage on a competitor of the council, or
 - (iii) reveal a trade secret.

and in accordance with Section 10A (1) the meeting may be closed to the public.



COFFS HARBOUR CITY COUNCIL
ORDINARY MEETING
(CITY BUSINESS UNITS COMMITTEE)
7 JULY 2005

Mayor and Councillors

NOTICE OF MOTION

RURAL LANDS STRATEGIC PLAN

Cr Featherstone has given notice of his intention to move:

"That Resolution PED28 passed on 19 August 2004 in two parts CW2 and CW3 is hereby rescinded and replaced by the following resolution:

That Council engage an appropriate Consultant to review all the information submitted on the Rural Lands Strategic Plan and to prepare a Report on a Draft Settlement Policy for all Rural 1A Lands. This Report is to be presented to Council so that a Draft Settlement Policy can be put on public display by 30th November 2005 and adopted by 30th June 2006."

General Managers comment:

The purpose of this report is to seek Council's endorsement of a process to progress the settlement issues identified in the Rural Lands Strategic Plan and the findings of the Commissioner's of Inquiry into that Plan.

The report recommends that Council reaffirm its commitment to the resolution of 19 August 2004, in regard to the Rural Lands Strategic Plan.

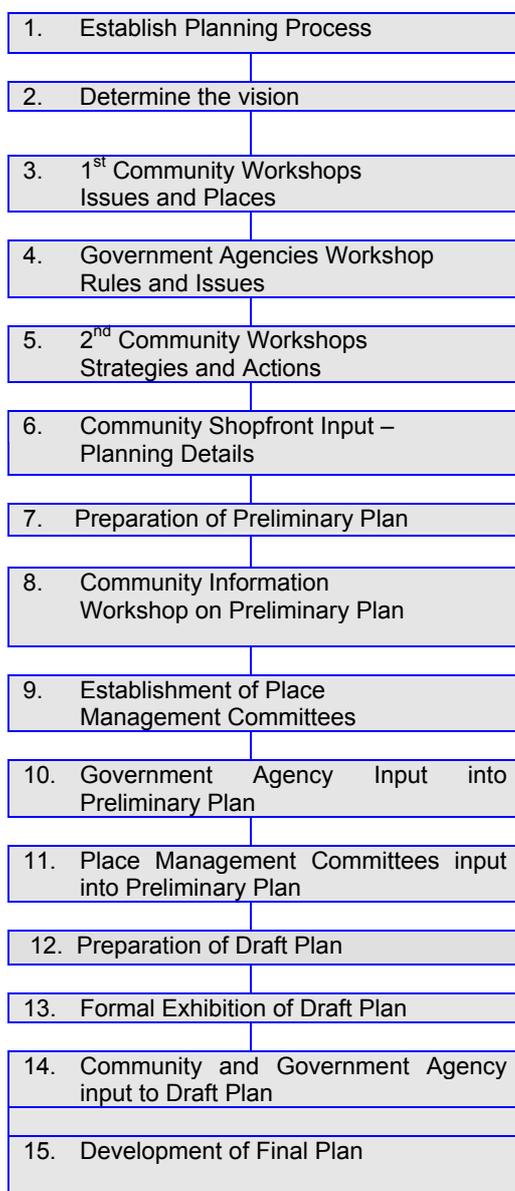
Background:

The Rural Lands Strategic Planning Steering Committee was established in 2001 by Council to prepare a Strategic Plan for the rural areas, generally land zoned Rural 1A Agriculture in Coffs Harbour.

cont'd

Rural Lands Strategic Plan (cont'd)

The Committee established the process as shown below, and progressed with its inception.



At the Council Meeting of 9 May 2002 Council resolved to progress to exhibition of the Draft Plan.

The plan was exhibited and debated for several months. A Non Statutory Public Assessment by the Commissioner's of Inquiry was requested by the community. The Council resolved to commit funding for the public inquiry based upon the need for an independent assessment.

A public Inquiry is designed to enable a range of expert and community based views to be publicly and independently assessed on their merits. The Inquiry findings and recommendations are published before decisions are made by government. This results in well founded and balanced decisions on environmental planning and heritage matters.

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Rural Lands Strategic Plan (cont'd)

The Public Assessment hearings were held on 9 and 11 March 2004 with 62 written submissions and 31 oral presentations. On 10 March 2004 a field inspection was conducted extending from Bonville in the south, to Woolgoolga in the north and to Coramba in the west.

A complete copy of the Commissioner's findings and recommendations is attached to this report.

In regard to the Rural Lands Strategic Plan the Commissioner's findings and recommendations were:

"Dispersed settlement in the rural hinterland of Coffs Harbour has been occurring for many years. Some of this development has been in harmony with accepted rural values while other development has been antagonistic. The evidence does not support the argument that other agricultural activities are not viable and subdivision for residential use is the only way forward. There is evidence that alternative agricultural industries are emerging and their full potential is yet to be determined. The Inquiry is not persuaded that agriculture has little or no future in the area.

The Inquiry acknowledges that further limited dispersed settlement could be sensitively located in the rural areas of Coffs Harbour and would maintain the rural ambience. Dispersed settlement must show it can achieve one or more of the following strategic objectives:

- *Consideration of agricultural land to enhance the land's potential for commercial agriculture,*
- *Conservation and enhancement of forest and riparian vegetation,*
- *Protection of habitat areas to enhance biodiversity,*
- *Reduction in the risk of contamination of drinking water supplies.*

The inquiry recommends that until Council's criteria, performance measures and monitoring regime are further detailed, approved and implemented, a moratorium on subdivision of lands zoned Rural 1A Agriculture should apply in Coffs Harbour. The Commissioner recommends a variation to council's environmental subdivision trial be developed during this period; the Commissioner has called the trial the "Incentive subdivision trial".

In regard to Environmental Subdivisions, the Commissioner's findings and recommendations were:

"The Inquiry is satisfied that Council's overall approach to the proposals for environmental subdivision has a strategic basis. However, it has lacked the detail required to convince the Inquiry that improved and sustainable agricultural and environmental outcomes would be achieved over the longer term. These shortcomings could be overcome by Council including additional objectives in the Local Environmental Plan and developing criteria and performance measures which protect and increase the potential for commercial farming, conserve ecologically significant native vegetation, and maintain and preferably improve water quality in the Orara River. The Commissioner suggests that a period of 24 months could be required to work through these issues with Government agencies and the community. The following recommendations in relation to the environmental subdivision trial are made:

- *Provision be renamed from environmental subdivision to 'incentive subdivision'*
- *Trial period be for 10 years with 100 lots, subject to a progress review within five years*
- *Farm aggregation allotments should be a minimum of 60ha of mostly Class 3 and 4 land before incentive lot is granted*
- *Incentive lots should be a minimum of 2ha and avoid Class 3 land and land with significant vegetation*

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Rural Lands Strategic Plan (cont'd)

- *Conservation allotment should be a minimum of 40ha before incentive lot is granted*
- *Conservation lot should have significant ecological value, provide wildlife corridors or be contiguous with a National Park, an identified wildlife corridor ecological area*
- *Conservation lot should be subject to a voluntary conservation agreement, dedicated to a public authority or subject to a perpetual agreement with a public authority to protect its ecological significance*
- *Conservation lot should be suitable to be rezoned to Environmental Protection 7A (Habitat and Catchment)*

The Inquiry considers the sliding scale proposed by Council would encourage the maintenance of large lots for future farming pursuits and that the incentive subdivision provision should only be allowed once for each property.

The Inquiry supported the exclusion of the Eastern Dorrigo and Coastal Rural areas from the environmental subdivision trial. The Inquiry did not support the exclusion of the Cochrane's Pool Drinking Water Catchment. However, the Commission recommends this area remain excluded until a comprehensive and scientifically-based risk management approach to this catchment is completed.

The Inquiry also recommends the following objectives be included in an amendment to Coffs LEP (Amendment No. 15).

- *To consolidate land to enhance its potential for commercial agriculture.*
- *To conserve and enhance forest and riparian vegetation.*
- *To protect habitat areas and enhance biodiversity.*
- *To reduce the risk of contamination of drinking water supplies."*

In regard to Banana Subdivisions, the Commissioner's findings and recommendations were:

"The Inquiry concluded that the banana industry in and around Coffs Harbour remains an important industry. While the area under production for bananas has been in decline for more than a decade, significant areas remain in production. The Inquiry recommends that banana lands should not be further subdivided for the foreseeable future as such action would be likely to negatively impact on the future of the local banana industry and other agricultural activities, as well as compromising future strategic land use planning for urban and rural residential development. The Inquiry recommends that Clause 18(3) of LEP 2000, be eventually deleted following a two-year moratorium on subdivision of banana land to enable Council to involve the community in the decision".

Council resolved to note the Commissioner's reports and to workshop the findings and recommendations with the Rural Lands Strategic Planning Committee and to report back to Council.

The workshop was held 30 June 2004. The general consensus, at the workshop, was a new Working Group should be established to resolve the issues raised, using the Commissioner's report as a basis for developing new policy.

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Rural Lands Strategic Plan (cont'd)

Council resolved on 19 August 2004 that a new working group be formed, using the Commissioner's of Inquiry findings and recommendations as a basis for the development of a new policy. Council also resolved that a moratorium on subdivision of Rural 1A zoned lands apply from 1 September 2004 until a new policy was developed. A report was requested to be presented at the May 2005 meeting. Due to the impacts of ongoing vacancies in the Strategic Planning Branch, Council endorsed a revised Strategic Planning Program on 19 May 2005, effectively deferring the commencement of the Rural Lands Subdivision Policy process until the end of July 2005.

On 14 February 2005, Council staff met with representatives from the rural community to discuss the potential process of the Rural Lands Subdivision Policy. The outcome of this meeting was that the community representatives would provide to Coffs Harbour City Council written comments on how they wished the matter to progress. Copies of those comments were circulated separately to Councillors.

The general direction of the written responses was that, a new committee be formed with a new independent "Chair", using the Commissioner's of Inquiry (in total) as a basis for reviewing and preparing a new Rural Lands Strategic Policy.

Description of Item:

It is important to consider the following matters:

Commissioners of Inquiry – Non Statutory Public Assessment

Council endorsed this process as being an "independent review" of the Rural Land Strategic Plan. The cost of the Commissioner's of Inquiry was in the order of \$40,000, paid by Coffs Harbour City Council. To engage a further "independent review" may be likely to cost a similar amount, with no guarantee of community acceptance of the referee's ruling once complete. The submissions suggested that one of their community representatives should "Chair" the review process. This process may be perceived as "biased" by the State Government Agencies and while community endorsement may occur it is unclear, though unlikely, agency agreement to the process would occur.

For a true independent analysis a specialist consultant would be required to review the past proceedings and provide a new draft policy for consideration by a new committee. Such a consultant, with specific extensive experience may be difficult to locate and expensive to commission. Additional funds would need to be allocated for the process to commence.

Integration with other Strategic Planning Processes

The Rural Lands Strategic Plan process cannot be considered in isolation. It is paramount that the R.L.S.P is dealt with in an integrated manner with the settlement strategy and any resultant review of the Rural Residential Strategy.

The outcome of the Settlement Strategy may have a major impact on the Rural Residential Strategy for example; North Boambee Valley, west of the RTA's IS1 option may become Rural Residential, while lands around Bonville may become residential rather than Rural Residential. Any changes in these documents may impact on the future potential of the rural lands, especially peripheral lands adjoining these localities.

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Rural Lands Strategic Plan (cont'd)

Sustainability Assessment:

- **Environment**

The issues discussed in this report have no environmental impact. Any settlement policy for subdivision of rural lands will need to meet environmental sustainability criteria.

- **Social**

The establishment of a Working Group consisting of community representatives will assist in addressing local social sustainability issues.

- **Economic**

Broader Economic Implications

Issues concerning economic sustainability will need to be considered in any settlement policy for rural lands.

Management Plan Implications

Funds may need to be allocated from the Management Plan for the development of a new policy should a second independent assessment process, using a consultant, be initiated. There are no funds currently allocated to carry out a second independent assessment. Appropriate funds have only been allocated to progress the matter using Council staff/resources.

Consultation:

The Public Assessment by the Commissioners of Inquiry was a robust process of community engagement. The establishment of a Working Group to oversee the development of a new rural lands settlement policy will assist in developing a policy that meets community expectations. If this policy leads to a Draft Local Environmental Plan (LEP) to amend Coffs Harbour City LEP 2000, a statutory process of consultation will be required.

Related Policy and / or Precedents:

These matters are addressed elsewhere in this report.

Statutory Requirements:

If the new settlement policy leads to the preparation of a Draft Local Environmental Plan (LEP), the statutory processes under the Environmental Planning and Assessment Act 1979 will need to be followed.

Issues:

The immediate issues relating to this matter are;

- i) the allocation of funding to cover any additional costs associated with another independent review of the Rural Lands Strategy

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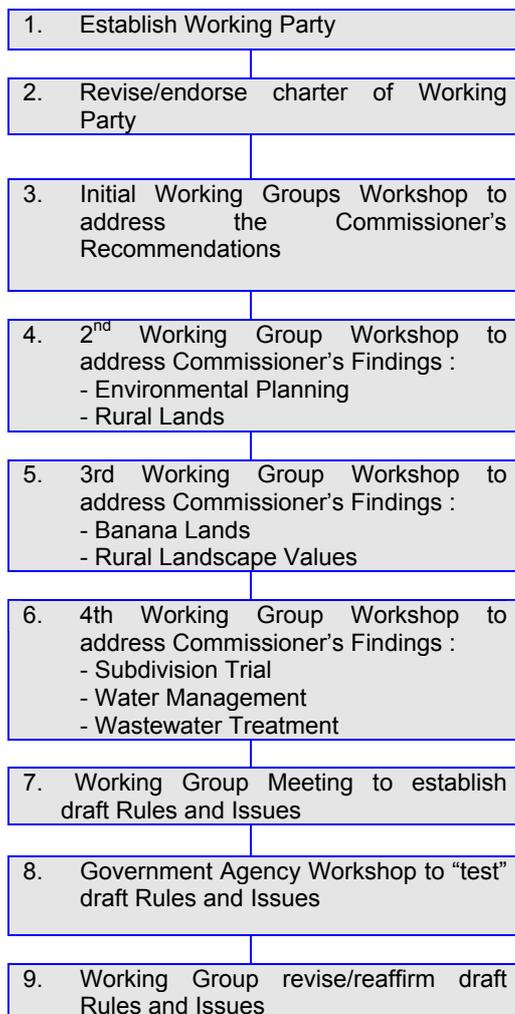
Rural Lands Strategic Plan (cont'd)

- ii) The commissioning, or otherwise, of an additional independent review
- iii) The need to maintain the current moratorium on subdivision until a review and policy is finalised
- iv) the need or otherwise to establish a working group to assist with
 - a) ii) above
 - b) to deal with the Rural Lands Strategy as per Council's August 2004 recommendation

Implementation Date / Priority:

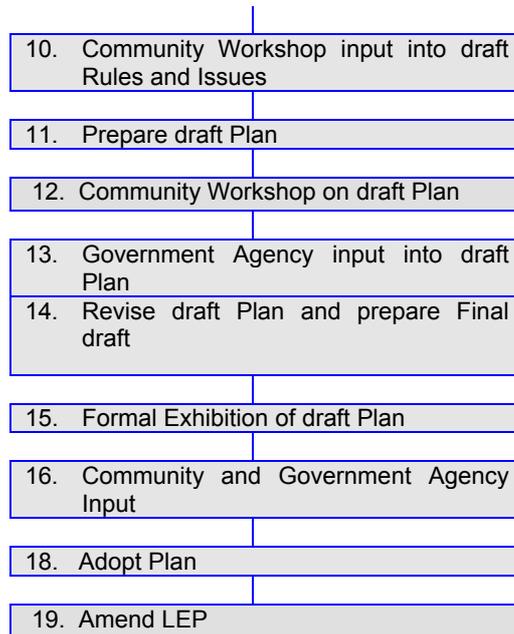
The completion and implementation date for the policy depends upon the action/direction taken by Council. An additional independent review will necessitate allocation of funds; preparation of brief; tendering/commissioning process. Such a process may actually delay the finalisation of a subdivision policy for rural lands, however, it is noted that Council resolved at its meeting held on 16 June 2005, that the process should be completed within 12 months.

Continuation of the August 2004 resolution of Council would mean a settlement Policy for rural lands could be completed by July 2006.



cont'd

Rural Lands Strategic Plan (cont'd)



Conclusion:

The establishment of a Working Group to develop a new settlement policy based on the Commissioner's Findings and Recommendations will provide direction for the City's rural lands. Resources to develop the new policy will be available from the end of July this year. It is anticipated that it will take 12 months to finalise the policy. In the interim, it is appropriate to accept the Commissioner's recommendation and maintain the Council's resolution for a two-year moratorium on subdivision in the Rural 1A Zone to avoid the potential undermining of any new policy.

Recommendation:

That Council reaffirm its commitment to the resolution of 19 August 2004 in regard to the Rural Lands Strategic Plan.

GENERAL MANAGER'S REPORTS

7 2005-2008 MANAGEMENT PLAN

Purpose:

To advise Council of the outcome of Council's applications for a rate variation and a rate structure for the Red Rock / Corindi localities, and the resulting impact on the 2005-2008 Management Plan and 2005-2006 Fees and Charges.

Description of Item:

In adopting the 2005-2008 Management Plan on 16 June 2005, Council resolved to apply to the NSW Minister for Local Government for approval for a Special Variation to General Income of 21.32% in 2005-2006. The rate increase was sought to provide funding for the City Facilities Program of infrastructure works proposed in the Management Plan.

On 28 June 2005 advice was received that Council's application had been unsuccessful. Council was also advised that a separate application – to maintain a differential rate structure in 2005-2006 for the areas of Red Rock and Corindi – had also been unsuccessful.

Council is now required to review the 2005-2008 Management Plan and set the rates for 2005-2006.

Sustainability Assessment:

The Management Plan encompasses all of Council's decision-making and operational activities. Environmental, social and economic impacts are factored into the planning and delivery of all Council programs. The preparation and implementation of the 2005-2008 Management Plan is consistent with this policy.

The rejection of Council's Rates Application will impact on the potential social and economic wealth of the region and the creation of new opportunities for employment and economic development.

The residents of the Red Rock and Corindi localities will, in the main, be impacted by the decision to change the rate structure to comply with the rating provisions of the Local Government Act.

Consultation:

Councillors and staff were directly involved in the preparation and review of the Draft 2005-2008 Management Plan.

The Draft Plan was the focus of an extensive community consultation process including media releases and briefings, advertising, website promotions, and public meetings and displays. A total of 428 community submissions on the Draft Management Plan were received during the 31-day public exhibition period.

Councillors and staff have been involved in the review of the adopted Management Plan.

cont'd

7 2005-2008 Management Plan (cont'd)

Related Policy and / or Precedents:

This is Council's twelfth Management Plan prepared under the 1993 Local Government Act.

Council considered and adopted:

1. the project schedule for developing the 2005-2008 Management Plan at the Corporate Services Committee meeting of 3 February, 2005;
2. the Draft 2005-2008 Management Plan including Draft Program Budgets and Draft Fees & Charges) for public exhibition at the Corporate Services Committee meeting on 5 May 2004; and
3. the Draft Plan as the 2005-2008 Management Plan at the Planning, Environment and Development Committee meetings on 16 June 2005.

Statutory Requirements:

Section 402-407 of the 1993 Local Government Act details the requirements for the completion of Council Management Plans.

Council is required, among other things, to adopt a Management Plan by June 30 each year. The draft plan must be placed on public exhibition for a period of 28 days. Council must consider submissions received on the draft plan before adopting the final plan.

Issues:

1. Withdrawal of the City Facilities Program

The 2005-2008 Management Plan details programs and budgets to enable Council to achieve the objectives set out in its seven Strategic Directions. The City Facilities Program and associated rate increase proposals represented a substantial component of the Management Plan as adopted by Council on 16 June 2005.

The decision to refuse Council's application for a rate income increase means Council is unable to proceed with the City Facilities Program and must now amend the Management Plan.

It is recommended Council pursue the alternative proposal outlined during the public exhibition of the Draft Management Plan. This involves the implementation of the 3.5% general rate increase (approved under NSW rate pegging legislation) and similar increases in Water and Sewerage Rates and Charges. Under this scenario, a typical residential ratepayer would expect a total rate increase of \$67.88 in 2005-2006 (or \$1.31 per week).

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7 2005-2008 Management Plan (cont'd)

Table 1: Impact on typical ratepayer of approved 3.5% Rate Increase

	2004/2005	2005/2006	Increase	
	\$	\$	Amount - \$	%
Residential Rate	589.80	606.80	17.00	2.88
Environmental Levy	26.75	27.63	0.88	3.29
Sewerage Charge	553.00	572.00	19.00	3.44
Water Standing Charge	193.00	200.00	7.00	3.63
Water Usage (300kl)	393.00	408.00	15.00	3.82
Domestic Waste Service	220.00	252.00	32.00	14.55
Greenwaste	35.00	12.00	-23.00	-65.71
Total	2,010.55	2,078.43	67.88	3.38

(The typical residential ratepayer's valuation in 2004/2005 and 2005/2006 is considered to be \$60,000.)

The approved rate rise is scaled (on an approximate basis) to counter the impact of inflation on Council's current general rate income. Clearly it will not provide the additional revenue required to fund any of the projects proposed under the City Facilities Program. In fact, with funding commitments already in place for a number of the projects (independent of the Program), the approved rate rise will not be enough to prevent a substantial increase in the deficit for 2005-2006 unless other expenditure is reined in.

The requirement for additional funding allocations for these commitments necessitates the following adjustments to the 2005-2006 adopted budget:

Senior Citizens Centre

The City Facilities Program would have provided \$2.1m for the proposed Senior Citizens Centre. The 2004-2005 budget allowed \$2m, through a loan.

To proceed with the project, the 2005-2006 budget requires an adjustment of \$327,538 (comprising \$100,000 for the shortfall in the capital cost of the proposed Senior Citizens Centre, \$202,538 for loan repayments and \$25,000 operating costs).

Land Purchase for the Proposed Hogbin Drive Extension

Council resolved at the City Business Units Committee meeting of 2 June 2005 to purchase 3 properties (with a total value of approximately \$270,000) required for road widening purposes in relation to the proposed Hogbin Drive Extension. The purchases were to be funded from the Hogbin Drive Extension allocation within the proposed City Facilities Program.

Accordingly, the 2005-2006 budget requires an adjustment of \$270,000. Alternative funding will need to be found.

If approved, the total impact of these adjustments on the budget is a deficit of \$597,538. Added to the adopted budget deficit of \$530,676, this will result in an overall deficit of \$1,128,214. The deficit needs to be reduced to a manageable level of approximately \$500,000. Workshops will be conducted with Councillors during the next 4 weeks to reconsider the overall budget.

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7 2005-2008 Management Plan (cont'd)

The City Facilities Program was conceived to create social, cultural and economic opportunities to help Coffs Harbour grow in a sustainable manner. In reviewing the program, Council remains committed to meeting the community demand for these much-needed infrastructure works. However, it must first secure the provision of funding for each project and this is likely to significantly extend the timeframe for their completion.

Council will continue to explore all available funding options as it lobbies other levels of government for support. Council will also maintain its drive for efficiency measures to reduce operational expenditure across the organisation.

2. Rate Structure

The Corindi and Red Rock areas were transferred into the Coffs Harbour Local Government Area in February 2004. Accordingly these areas had to be incorporated into an appropriate rating structure. It was preferred that, for the first year at least, Council provide a structure which kept the rates in these areas at a similar level to the rates they had experienced as part of the former Pristine Waters Local Government Area. A determination to this effect had to be sought from the Minister for Local Government, as legislation precluded Council from creating the required sub-categories for Residential, Business and Farmland rating.

The Minister provided that determination on 15 July 2004. While it was valid for 2004-2005, it required the development of a rating structure for 2005-2006 which would comply with the Act.

Before the development of such a structure had commenced, Council was notified that the Minister had referred to the Local Government Boundaries Commission a proposal by Clarence Valley Council for the Corindi and Red Rock localities to be excised from Coffs Harbour LGA and added to its area. In these circumstances it was considered inappropriate to pre-empt the decision of the Commission by working on a rating structure with the communities of those areas.

As no notification of the Commission's decision had been received by the time of the formulation of the Draft 2005-2008 Management Plan, the rating structure was left unchanged from 2004-2005. It was considered this course of action was reasonable and responsible, and Council sought the Minister's endorsement through a new determination.

Advice has now been received that this will not be forthcoming. Therefore Council will need to develop a rate structure for 2005-2006 which complies with the Act.

The original Coffs Harbour Local Government Area had only one Residential category, one Farmland category, an overall Business category and a sub category for City Centre Business. It would seem prudent to now have these replace the sub-categories that applied in 2004-2005 to the Corindi and Red Rock localities. This will mean that all ratepayers throughout the Local Government Area are rated in like manner, reinforcing fairness and equity as key elements of the citywide rate structure.

However, such a structure is going to cause a significant increase in rates for many in the Corindi and Red Rock areas. In fact 899 of the 986 properties will experience an increase greater than 3.5%, with the total yield from Ordinary rates for local properties increasing by \$134,700, or 30%, over the 2004-2005 level. The average increase across all properties is \$136.50. For the 827 Residential properties the average increase is \$135. The average Residential value is \$55,200 with a rate of \$574.81; the median Residential value is \$48,700 with rates of \$531.50.

cont'd

7 2005-2008 Management Plan (cont'd)

The change in Farmland rating from a \$320 base amount with a low rate to a \$207 base amount with a higher rate causes large increases in highly valued farms and savings in lowly valued ones. At \$500,000 the increase is from \$1,966 to \$3,539, at \$34,000 there is no change, and at \$20,200 it drops from \$387 to \$342. Overall, 63 farms increase by \$17,837 (\$283 average) while 78 farms have savings totalling \$2,924 (\$37 average). The average of all 141 Farmland properties increases from \$533 to \$639, or 20%.

There are 18 Business category properties; their rates increase from an average of \$790 to an average of \$1,244, or 57%. Their actual rates range between \$432 and \$3,117. Only 2 of the 18 have reduced rates.

It is important to reiterate that these rates will now be exactly the same as for any other similarly valued Residential, Business or Farmland property elsewhere in the Council area. It should also be noted that sewerage properties in the Corindi locality had a significant reduction in their sewerage rates in 2004-2005 as a result of their transfer into the Coffs Harbour Local Government area. In 2003-2004 they had paid \$710 in Pristine Waters LGA. In Coffs Harbour LGA in 2004-2005 they paid \$553, a reduction of \$157.

It is recommended that, following Council's decision on its rate structure and the making of its rates, a letter be sent to the owners of all affected properties setting out the impact for them in 2005-2006 and how this has come about.

It should be pointed out that the increased rates being raised in these particular localities are offset by a similar reduction elsewhere so that Council's total rate income complies with the Minister's statutory limit. Recommended rates in the dollar for the various rate categories have been adjusted accordingly. For the typical residential ratepayer (with a \$60,000 valuation) the reduction is \$3.64 for 2005-2006.

3. Fees & Charges

As the rate variation application has not been approved, Council must now confirm the details of its alternative proposal to increase water and sewerage rates and charges by 3.5%. The changes are set out below:

cont'd

7 2005-2008 Management Plan (cont'd)

Water	2004-2005	2005-2006
<u>Water Sales</u>		
Useage charges non-rateable properties	\$1.56 pkl	\$1.62 pkl
Metered water usage (other than non rateable properties)	\$1.31 pkl	\$1.36 pkl
Water availability charge (standing charge)	\$1.93 p asst	\$200.00 p asst
Where a testable backflow is installed an additional \$16.00 charge applies.	\$205.00 p asst	\$216.00 p asst
<u>Standpipe Water Sales - Carriers</u>		
Water Carrier water sales	\$1.56 pkl	\$1.62 pkl
<u>Water Sales - Hydrant</u>		
Water Sales	\$1.56 pkl	\$1.62 pkl
<u>Regional Water Supply Raw Water Connection</u>		
Water availability charge (Standing Charge)	\$1.93 p asst	\$200.00 p asst
Metered water usage (other than non-rateable properties)	\$0.655 pkl	\$0.68 pkl
Sewerage		
<u>Sewerage Charges</u>		
Sewerage Charge (Residential properties)	\$553.00 p ET	\$572.00 p ET
<u>Non-rateable Sewerage Charges & Schools</u>		
Water closets	\$39.00 each	\$40.00 each
Urinals	\$39.00 each	\$40.00 each
<u>Other</u>		
Water closets	\$62.00 each	\$64.00 each
Urinals	\$62.00 each	\$64.00 each

In relation to the adopted Fees and Charges, Council needs to confirm that a change made to the Englands Road Waste Facility is also extended to the Woolgoolga and Coramba Waste Transfer Stations. This was an error of omission in the report to Council of 16 June 2005. The recommended changes are set out below:

cont'd

7 2005-2008 Management Plan (cont'd)

	<u>2004/05</u>	<u>2005/06</u>
Car/Wagon -Garbage	\$5.00	\$4.50
Trailer / Ute-Garbage		
Up to 300kg	\$18.40	-
Up to 150kg	-	\$11.00
151 kg to 300 kg	-	\$22.00

Implementation Date / Priority:

Amendments to the 2005-2008 Management Plan, the 2005-2006 Fees & Charges and the rate structure will apply for 2005-2006.

Recommendation:

- 1. That Council notes the decision of the NSW Minister for Local Government refusing Council's application for a Special Variation to General Income of 21.32% in 2005-2006.**
- 2. That Council note that alternative funding will be required to complete the projects in the proposed City Facilities Program.**
- 3. That Council note the potential budget and deficit adjustments, as outlined in this report, for 2005-2006.**
- 4. That workshops be held with Councillors during the next four weeks to review programs and priorities with a view to making changes to the Budget and producing a deficit of approximately \$500,000.**
- 5. The notional income from Residential, Farmland and Business rates be increased by the 3.5% statutory limit as gazetted by the Minister;**
- 6. The rate structure for 2005-2006 for Ordinary rates be one citywide Residential rate, one citywide Farmland rate and a citywide Business rate with a sub-category for a City Centre Business rate. All rates are based on a land valuation with a base date of 1 July 2002.**
- 7. Council write to owners of land in the Corindi and Red Rock areas to explain changes to the rating structure and the impact the changes will have on them.**
- 8. Water, Sewerage and Waste rates and charges be amended according to the schedules listed in the Issues section of this report;**

8 DEFERMENT OF REPORTS

Purpose:

To recommend deferral of several reports to provide an opportunity for Council to further consider its future position.

Description of Item:

Council has for a number of years been planning important infrastructure works for the city.

During the preparation of the Draft Management Plan a number of these projects were incorporated as key components of the City Facilities Program.

The Harbourside Project and Multipurpose Centre / Cultural Precinct have progressed to a point where commitment is required to appoint consultants for planning and architectural services. The acquisition of thirteen Crown land parcels to finalise all land acquisitions for the Hogbin Drive extension has also been under negotiation.

Three (3) reports on the above projects are appended to this report along with correspondence from the Department of Local Government advising of refusal to Councils application for Special Rate Variation.

In view of the Government's decision, Councils position on these projects should now be reviewed.

Issues:

The centre piece of the 2005/2008 Management Plan was the proposed City Facilities Program incorporating a schedule of 16 major infrastructure projects with a total budget of \$86.736m.

The program is in response to long standing community demands. These major capital works would have made a significant contribution to the social and cultural wealth of the region and create new opportunities for employment and economic development.

Certain projects within the City Facilities Program are continuing projects namely, Harbourside Project, Multi-Purpose Centre on Brelsford Park and the extension of Hogbin Drive.

Each of these projects are at a critical stage, requiring reports to Council for approval. These reports are appended for Councils consideration (refer to attachments 2-4)

It is proposed to defer consideration of these reports in order that Council might have sufficient time to further consider its financial position over the coming weeks and the extent of commitment towards these projects at this stage.

Recommendation:

- 1. That, based on the Government's determination to reject Council's application for rate variation, the attached reports covering the Harbourside Project, Hogbin Drive Extension and Multipurpose Centre / Cultural Precinct be deferred to enable Council to further consider its position and financial capacity over the coming weeks.**

Attachments:

29/06 '05 14:02 FAX 61 2 9793 0699

LOCAL GOVT CO-OP

002/002



Department of Local Government
5 O'Keefe Avenue NOWRA NSW 2541
Locked Bag 3015 NOWRA NSW 2541

FF: 05/1027
OUR REFERENCE DTS: A18911
YOUR REFERENCE
CONTACT

Mr Mark Ferguson
General Manager
Coffs Harbour City Council
Locked Bag 155
COFFS HARBOUR NSW 2450

29 JUN 2005

Dear Mr Ferguson

I refer to council's application of 1 June 2005 seeking Ministerial approval for an increase in general income of 21.32% for 2005/2006 to generate additional income to be utilised for infrastructure projects in council's City Facilities Program.

Council's application has been considered carefully. However, the Minister considers that the council needs to review its rating structure and consider the impact of new land valuations in consultation with the community before increasing rates beyond the rate pegging limit.

Council should pursue its program within its current financial resources, reviewing expenditure priorities and initiating necessary savings and productivity measures where necessary. Accordingly, the Minister has not approved of council's application to increase general income by more than the 2005/2006 general variation and any allowable increases as a result of income adjustments or catch-up amounts generated by council as per departmental advice.

Yours sincerely


Garry Payne
Director General

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9 ORGANISATIONAL REVIEW AND GOVERNANCE

Purpose:

The purpose of the report is to advise the current structure and report on the outcomes of the Organisational Review and Governance Committee.

Description of Item:

Structure:

The current structure as outlined in the attachments was adopted in November 2002, and since that time has had minor adjustments made from time to time for operational efficiency reasons. It is envisaged that from time-to-time further minor adjustments will be made to improve efficiency, effectiveness and ensure consistency with the focus on the strategic directions of Council

Governance:

Governance is important to the council because:

- It underpins the confidence that people have in council
- It affects quality of outputs
- It is a value adding authority
- It ensures that council meets its legislation responsibilities
- A strong reminder that they are accountable to the community we serve (Excellence in Governance for Local Government; CPA Aust, 2005)

As an example, CPA Australia outlined 12 guiding principles. These are:

- 1) Culture
There is a positive culture that promotes openness and honesty, in which questioning is encouraged and accountability is clear.
- 2) Vision
There is a clear vision and strategic plan that is produced through a comprehensive and inclusive process which is owned by all sectors of the local government.
- 3) Roles
There is clarity about the roles of local government and there exists a sophisticated approach to defining and implementing these.
- 4) Working relationships
There are effective working relationships that are promoted and supported within and between the mayor, councillors, general manager and administration.
- 5) Decision making
There are effective decision-making processes in place that reflect the transparency and accountability which underpin excellence in governance.

cont'd

9 Organisational Review And Governance (cont'd)

- 6) **Financial Management**
There should be robust and transparent financial management established and maintained to meet local government's accountability to its stakeholders, particularly in terms of stewardship of community assets, both now and into the future.
- 7) **Principle**
An effective approach to the identification, assessment, monitoring and management of risks should be established and maintained.
- 8) **Delegations**
Effective delegations should be implemented and maintained.
- 9) **Accountability**
Local government must account for its activities and have systems that support this accountability.
- 10) **Performance Management**
There should be an active performance management system in place that enables Councillors and the administration to be openly accountable for their performance.
- 11) **Independent Review**
Local governments should establish internal structures that provide for independent review of processes and decision-making to assist the council to meet its accountability to stakeholders.
- 12) **Consultation**
Consultation should be undertaken that is appropriate to the scope and potential impact of the matter. It should respect the position and opinion of all stakeholders. The outcomes of the consultation should be taken into account when the decision is made and feedback should be provided to those who participated.

A copy of the document Excellence in Governance for Local Government will be left in the Councillor's room.

Coffs Harbour City council is recognised as a leader in NSW Local Government because many of these principles are current practice. It will be the role of organisational review and governance committee to monitor implementation of these principles and the pace of organisational change.

Consultation:

Organisational Review and Governance Committee met in May. This was the first time the group had convened. The group will now meet on a 6 monthly basis. Consultation was carried out at the time of the organisational review in 2002, and as needed minor changes were determined to the structure.

Related Policy and / or Precedents:

The structure was adopted following an organisational review conducted in September 2002, minor adjustments have been instituted since that adoption.

cont'd

9 Organisational Review And Governance (cont'd)

Statutory Requirements:

Local Government Act 1993, Chapter 11, Clause 333. The organisation structure may be re-determined by Council from time to time. It must be re-determined within 12 months after any ordinary election of Council.

Issues:

The statutory requirement to review the structure enables the council to address at a departmental level the scope of the council's operations. Unfortunately this is only one dimension of how the organisation actually operates. Admittedly an important one that sets about the accountability and formal linkage of functions. The most recent organisation restructure was an attempt to de-structure the organisation. This was a clear focus on teams, communication and organisation values. The attempt was to reduce the "silo" mentality and create the one council philosophy.

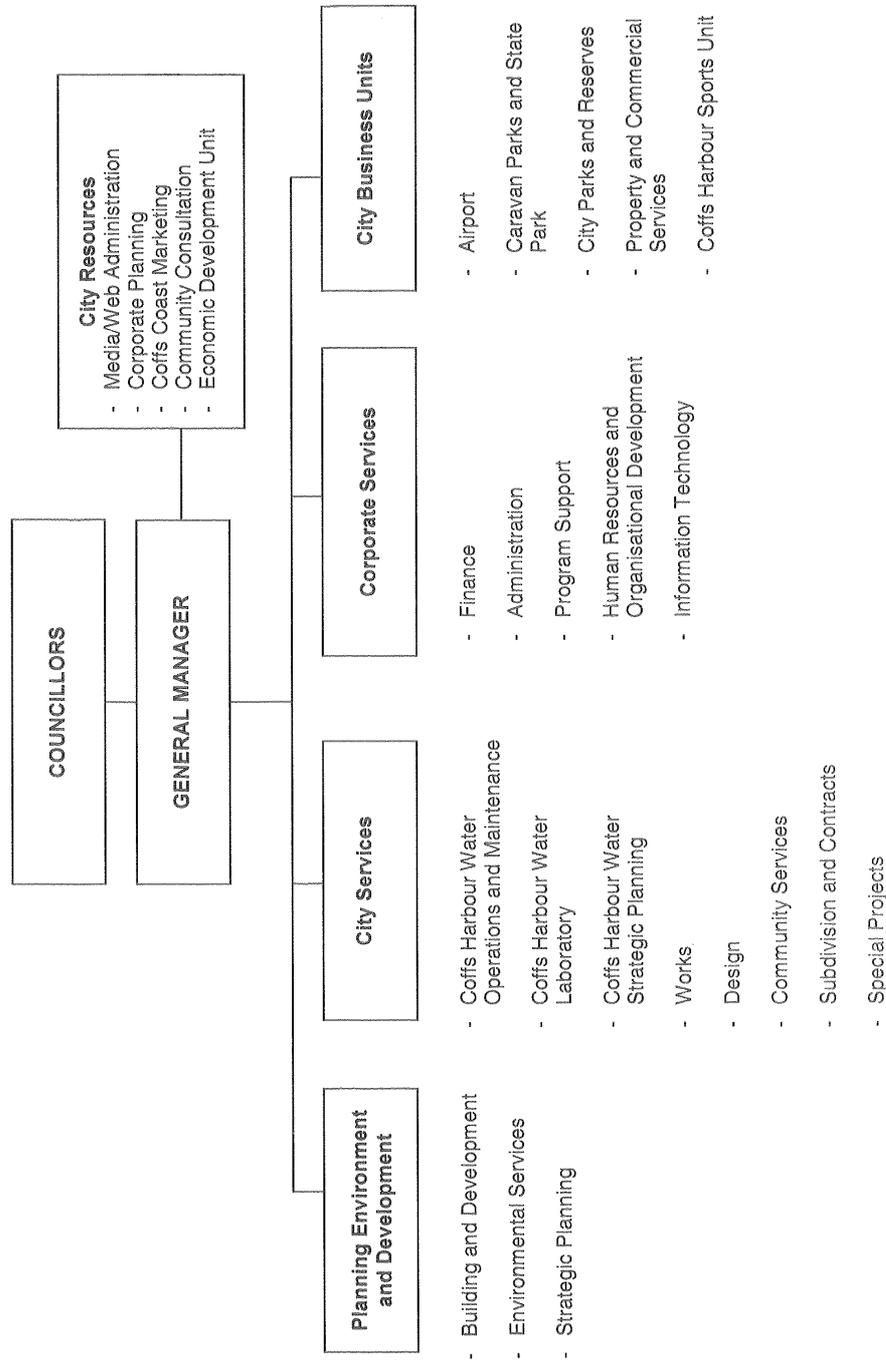
Implementation Date / Priority:

Given the timing of the previous organisation review it is proposed to adopt the structure in its current form. It is proposed to undertake a further review of the structure in late 2006/early 2007.

Recommendation:

- 1) That Council adopt the CPA's guiding principle as a basis for ongoing organization development.**
- 2) That Council endorse the current structure as detailed on the attachment.**
- 3) That the role of the Governance Organization Review Team be to monitor implementation of organizational improvements and implementation of governance excellence within Council and that the Committee meet at least twice annually.**

Attachments:



Purpose:

To inform Council on the economic and employment value of the tourism industry, to outline promotional activities undertaken to stimulate business and propose a review of the Coffs Coast Tourism Development Plan.

Description of Item:

Tourism is a major industry contributing to the economic and employment prosperity of the City and it's community. During the past five years promotions have been consolidated under Brand Coffs Coast which has resulted in growing adoption and identity for the region by tourism and non-tourism sectors alike.

The Coffs Coast Tourism Development Plan adopted by Council in January 2001 has been used to guide marketing activities.

Domestic visitors remain the major source of business, (over 95%) however with annual growth averaging 1.0% per annum, States and Territories, regions and localities are fighting for market share. Competition is fierce.

With Australia and the world in a state of constant change, relevant consumer research a review of the plan is strongly suggested.

Sustainability Assessment:

- **Environment**

The most significant environmental impact from visitors is the increase in people and vehicular activity during Christmas/ New Year, Easter and school holidays periods. Some would argue this increase adds life and vitality, others may suggest an increase in congestion and loss of amenity.

Apart from these times the flow of people and traffic is considered orderly and smooth.

- Some of the region's more popular beaches, coast and headlands may suffer from 'being loved to death' by locals and visitors alike. These localities require people management and infrastructure solutions to manage and minimise adverse impacts.

- **Social**

Tourism is a major employer of people in the Coffs Coast community. Of the 150 Commonwealth electorates, Cowper (of which the Coffs Harbour City Council LGA is the major part,) is the 10th most important in terms of jobs generated by the tourism sector – estimated at just over 8.0% or 3,500 jobs from total electorate employment of 45,000. Source: Tourism & Transport Forum Australia. August 2004.

cont'd

10 Tourism Update (cont'd)

- **Economic**

Broader Economic Implications

Southern Cross University's Centre for Enterprise Development and Research estimates Direct Tourism Expenditure of over \$300 million per annum in the Coffs Coast region.

This has significant implications for flow-on expenditure - indirect and induced.

As an example, purchases of goods and services in-puts, such as food and beverages, cleaning and laundry services, fuel and utilities by Coffs Harbour's major resorts provide business for suppliers. In turn, these businesses and employees spend their earnings on further goods and services, thereby generating further induced expenditure.

Management Plan Implications

Coffs Coast Marketing is the business unit of Council responsible for the marketing of the City under Brand Coffs Coast. Major tasks are; to Motivate and Increase Awareness of Coffs Coast among targeted consumers, Educate consumers on the destination's depth of experiences and activities relevant to their needs and Activate conversion - in partnership with industry partners; Tourism NSW, North Coast NSW RTO, Air and Land Transport Operators, Wholesalers, Coffs Coast Visitor Information Centre, Coffs Coast Tourism Association, accommodation, tours and attractions suppliers.

Over the past five years the level of funds allocated to undertake these activities has remained constant. The allocation in 2004/05 was \$778,000 (plus co-operative promotions income and re-votes) whereas the allocation for 2005/06 is \$738,000. The cost of media and marketing materials during this period has increased and competition from destinations within Australia and overseas has risen.

While efforts are made to 'work smarter' with industry partners, the main task of communicating with targeted customers in a timely and appropriate manner requires the purchase of media and other paid commercial activities.

Therefore any reduction in the capacity to purchase media is likely to result in reduced consumer awareness and subsequently, business activity. Conversely, an increase in funds will allow for sustained marketing activity and enhanced business and employment opportunities for the people of our community.

Consultation:

Consultation was undertaken with the General Manager, Director of Planning and the Manager, Visitor information Centre.

At the local level, Coffs Coast Marketing is liaising with the Coffs Coast Tourism Association representing industry interests to prepare promotional activities for 2005/06. On specific projects where selected consumer segments are to be targeted, liaison is/will be undertaken with appropriate product suppliers.

cont'd

10 Tourism Update (cont'd)

Coffs Coast Marketing and Coffs Coast Visitor Information Center staff attend the monthly board meetings of the Coffs Coast Tourism Association to report and exchange information.

On a day to day basis there is ongoing liaison with Coffs Coast Tourism Association's executive officer.

Related Policy and / or Precedents:

Not applicable.

Statutory Requirements:

Not applicable.

Issues:

The National Visitor Survey (2000-2004) indicates that total domestic visitor nights in Australia rose 1.1%. NSW recorded a decline of 3.7 % for the same period while Coffs Coast realised an increase of 7.6%.

However with increased competition and a slowing economy in latter 2004 and continuing into 2005, anecdotal indications are that visitor numbers and room night consumption is softening.

Research undertaken in September 2001 by Tourism NSW/Ultimate Tourism Research to determine awareness and appeal of Coffs Harbour among Sydney residents found that while awareness was relatively high, knowledge of the range and diversity of natural and man-made attractions beyond beaches, bananas and warm climate was limited.

Research recommendations to emphasize the region as a holiday destination rather than a stop-over point and in particular, profiling the adventure activities, nature walks, cruising, diving, National Parks, towns and beaches in the greater region have therefore been the focus of recent promotional activity.

Impacting on this is the perceived (real or imaginary) level of safety of the Pacific Highway as an access route due to ongoing accidents. This has potential to diminish Coffs Coast's appeal as a holiday destination which is further exacerbated when the RTA promotes the New England highway as alternative northern route.

From a product lifecycle point of view, Coffs Harbour/Coffs Coast is a mature destination. Promotions highlights the current stock of attractions and activities, both natural and man-made, however there has been no new significant product developments in the past 5 years. The recent dismantling of the Aquajet and the need to up-date some of our major tourism assets reduces the overall consumer appeal for the destination. The proposed redevelopment of the Harbour and Big Banana has the potential to reinvigorate business and create further employment but only if the end product is of relevance to consumers – local and visitors alike.

Event tourism also has the potential to maintain and grow business especially in shoulder and off-peak seasons – the annual Australian Touch titles and Coffs Coast Busker's Festival, the upcoming Ulysses 2007 AGM and Australian Surf Life Saving Championships 2010-2012 are good examples, but more are needed.

cont'd

10 Tourism Update (cont'd)

Technology advances have also impacted on 'how business is done'. Consumer trends indicate a rise in on-line booking activity, which is forecast to increase. This has implications for possible loss in sales for the Visitor Information Centre and non-web savvy operators if not addressed.

Changes in society, consumer wants and needs and increasing competition for consumer's disposable income require constant review. The visitor market is made up of many segments that fluctuate in relevance and value. For example, the declining ability of the family segment to afford a holiday, the high yield conference and meetings segment requiring higher levels of appropriate infrastructure, transport and services, the growing size and potential of 'seniors' and the influence of the Commonwealth government on the backpacker segment through the issue/non-issue of work visas. These constantly changing factors therefore require ongoing communications that Motivate, Educate and Activate targeted consumer segments.

The increasing cost of media impacts on the ability to afford promotional activity. Co-operative or partnership marketing to ensure Coffs Coast continues to remain in-market is highly desirable. This requires a close working relationship with industry partners, including the Coffs Coast Tourism Association, North Coast NSW Regional Tourism Organisation, QantasLink and Virgin Blue, Tourism Australia and in particular Tourism NSW.

Tourism as an industry does not exist in isolation. It is interdependent with other industry sectors – transport, retail, construction, government and so on. Therefore Council decisions relating to planning and developments require careful consideration based on the cumulative and long-term impacts on the viability and sustainability of the tourism industry.

A healthy tourism sector can also assist with a broader healthy economy. A recent feature in The Weekend Australian Magazine 23-24 April 2005, reports a quote by Margaret Keech, Queensland Minister for Tourism, Fair Trading and Wine Industry Development, "People come first as tourists, then they come back and take a second look and decide that it's a great place to invest in or set-up home".

The City of Coffs Harbour can emulate the Queensland success story through strategic and customer focused tourism promotion and appropriate and sensitive development of products that will then further enhance and add value to Brand Coffs Coast and the life of our community

Implementation Date / Priority:

It is proposed that the recommendations below be undertaken by commencing immediately.

Recommendation:

- 1. That Council continues to support the tourism sector to maintain and further develop economic and employment opportunities for the City.**
- 2. That Coffs Coast Marketing continues to liaise with the Coffs Coast Tourism Association and local industry operators as appropriate to develop and refine ongoing promotions and campaigns.**

cont'd

10 Tourism Update (cont'd)

- 3. That research be undertaken to up-date knowledge and awareness of consumer perceptions of Coffs Harbour/Coffs Coast as a holiday destination.**
- 4. That Coffs Coast Marketing in partnership with Council's Economic Development Unit, Coffs Harbour Future Development Board and Coffs Coast Tourism Association review the Coffs Coast Tourism Development Plan.**
- 5. That Coffs Coast Marketing maintains relationships with existing co-operative partners and explores additional co-operative promotional opportunities.**

Mark Ferguson
General Manager

Attachments:

2004/2005 Coffs Coast Promotions Plan

Centre for Enterprise Development and Research Report (May 2005) **(Confidential)**

Coffs Coast promotional achievements (folder of magazine and newspaper articles)

'Tourism – a major employer', TTF Australia July 2004

These documents are available in the Councillor's Room.

CITY BUSINESS UNITS DEPARTMENT REPORT

B20 CONSTRUCTION OF THE ROUNDABOUT AND PART OF THE COLLECTOR ROAD IN CONJUNCTION WITH THE MOONEE BEACH SHOPPING CENTRE

Purpose:

To obtain Council approval to execute Deeds of Agreement in relation to Council's contribution for the construction of the roundabout and part of the collector road in conjunction with the Moonee Beach Shopping Centre.

Description of Item:

The main access into the new Moonee Beach Shopping Centre, which is presently under construction, is to be from a new roundabout on Moonee Beach Road and via the new collector road running south from the roundabout. Under the Section 94 Plan for the Moonee Development Area, the roundabout is fully funded by the plan and the collector road partly funded. In accordance with the development consent for the shopping centre, the developer (Moonee Beach Properties Pty Limited) is forward funding the construction of the roundabout and collector road to the southern boundary of their property.

The collector road is being built on land owned by Council (Lot 3 DP 536819). Refer to attached plan. This property has an area of 21,320 square metres. The front half of the property is zoned for community uses and the rear half for residential development.

Excluding the land required for the collector road, the balance of the site at the front is to be used for a neighbour park, a community hall and a new fire station, while the residential land at the rear (7,500 to 8,000 square metres) is earmarked for sale in the 05/06 Management Plan to help fund the reconstruction of Moonee Beach Road. This land cannot be sold without the construction of the collector road and provision of services.

The construction of the roundabout also requires the acquisition of land from private land owners. They are being dealt with by way of separate report(s).

Deeds of Agreement

The Deed of Agreement for the roundabout has an agreed value for the work of \$649,200 (ex GST). This amount includes the reconstruction of part of Moonee Beach Road to the east and west of the roundabout, and the land into the collector road to the south. Under the Deed, the Council will pay to the developer any contributions collected by Council under the Section 94 Plan for the roundabout. Monies will only be paid when received. No interest is payable on the outstanding amount.

The Deed of Agreement for the collector road has an agreed value for the work of \$434,340 (ex GST). The Section 94 Plan pays for 3/11 of the cost and the adjoining land owners contribute 4/11 each. The developer will be reimbursed for 3/11 of the cost as monies are collected. Again no interest is payable on the outstanding balance.

Council's 4/11 share of the cost as land owner is \$157,942 payable at completion of the work.

The Deeds do allow for the cost to be adjusted if there are variations during construction. However, no variations can be approved without Council's consent.

cont'd

B20 Construction Of The Roundabout And Part Of The Collector Road In Conjunction With The Moonee Beach Shopping Centre (cont'd)

The current works do not include the provision of water and sewer to Council's remaining lands. Council is presently preparing a design for both these services. The Deeds require the developer to co-ordinate the installation and construction of any services required by Council on Council's land which will be completed in conjunction with the civil works. Once the works have been completed, Council will be responsible for dedication of the collector road land as a public road.

Sustainability Assessment:

- **Environment**

The works are to be carried out on an existing road and open cleared land. The works will be in accordance with plans approved by Council, the development consent for the shopping centre and the Moonee DCP.

- **Social**

The construction of the roundabout and collector road will provide a safe access into the new shopping centre and calm traffic on Moonee Beach Road. The works will also provide access to the community use land previously referred to.

- **Economic**

Broader Economic Implications

There will be a very positive economic impact on the area, as the roundabout is at the junction of the collector road that runs north and south. Construction of the works will help open up the area to residential development which will complement and support the new shopping centre.

Management Plan Implications

Council's share of the cost will be forward funded against the proceeds from the future sale of the residentially zoned land, and the sale of land to the NSW Fire Brigade. Negotiations with officers from the Brigade have recently commenced.

None of Council's land can be developed unless the roundabout and collector road are constructed. Now that the works have been designed and accurately costed, the Section 94 Plan for Moonee will need to be amended to reflect the actual expenditure. Each party is paying its own legal costs in relation to the Deeds of Agreement.

Consultation:

Relevant City Services staff have been involved in the process in relation to design and cost. Council's officer in charge of Section 94 has also been consulted. Council's Solicitor has been handling and advising the wording of the Deeds of Agreement to protect Council's interest and the deeds will be prepared to legally accord with Section 94 and the Moonee DCP and Contribution Plan.

cont'd

B20 Construction Of The Roundabout And Part Of The Collector Road In Conjunction With The Moonee Beach Shopping Centre (cont'd)

Related Policy and / or Precedents:

Council recently engaged in a similar exercise in relation to the construction of the roundabout and collector road for the Lakes Subdivision on the southern side of town.

Statutory Requirements:

The developer called for expressions of interest for the works in accordance with the tendering regulations under the Local Government Act. The works are to be carried out by local contractor Ryan Earthmoving Pty Limited.

Issues:

The Council and developer have been working co-operatively to ensure the best result for both parties. Up until the Deeds are signed each has been relying on the goodwill and professionalism of the other.

The roundabout and collector road are just as important to the shopping centre as they are to the development of Council's land. If the shopping centre was not being developed and Council wished to develop and sell its residential land, then Council would have had to forward fund the total cost of the works.

Under the proposed arrangements, Council is only responsible for 4/11 of the cost of the collector road. The balance is to be funded by the developer who will be repaid by Section 94 funds as and when they are collected.

Council has already given the developer access to the site for the purpose of carrying out the works, entirely at the developer's risk.

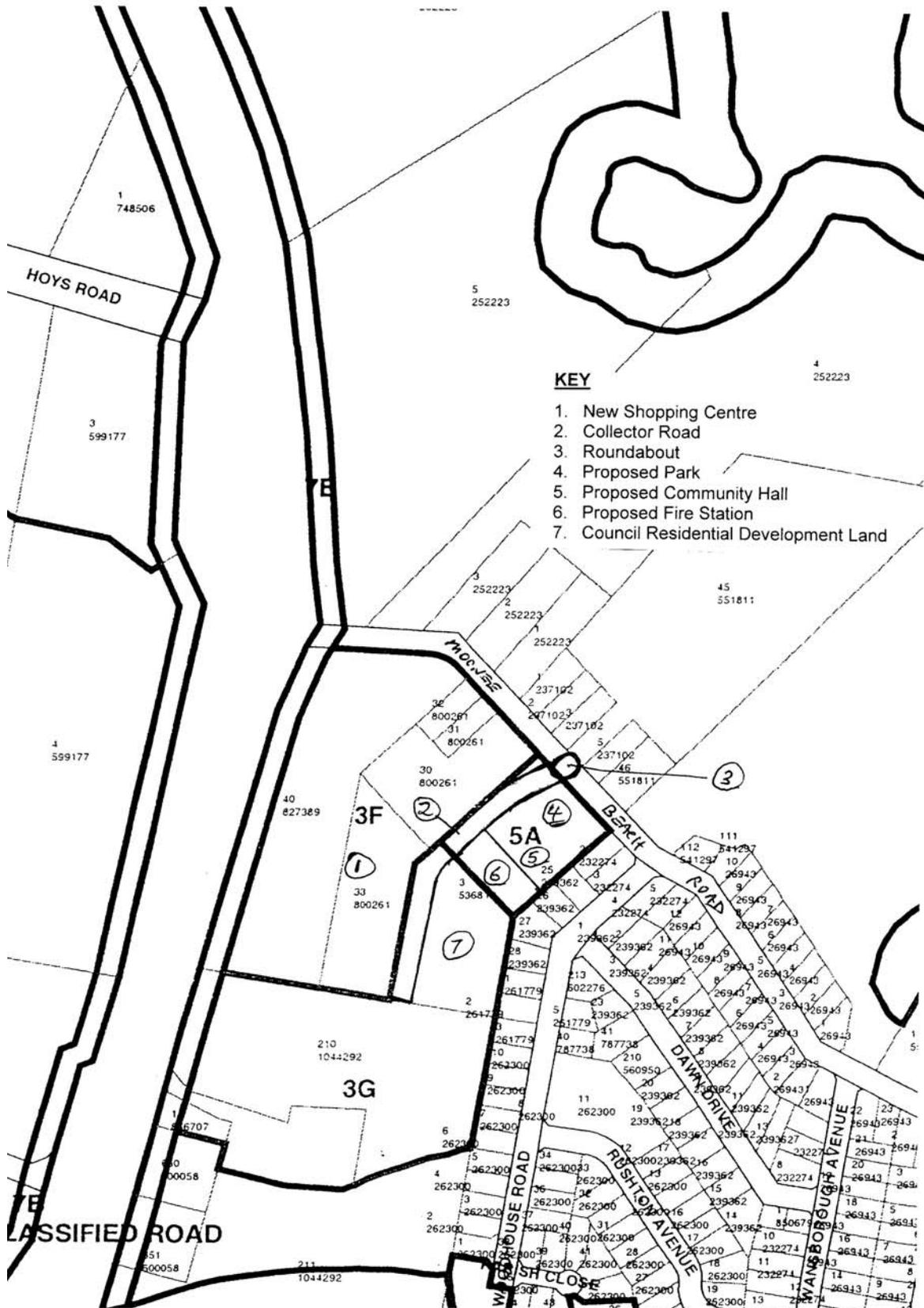
Implementation Date / Priority:

Timing is critical and the agreements will be executed immediately if approved by Council.

Recommendation:

The Council approve the execution under seal of the Agreements with Moonee Beach Properties Pty Limited in relation to the cost sharing arrangement and associated miscellaneous obligations for the construction of the roundabout on Moonee Beach Road and the adjoining collector road fronting Moonee Beach Shopping Centre site as per the approved plans.

Attachments:



CITY SERVICES DEPARTMENT REPORT

S40 TENDER: SUPPLY OF STAINLESS STEEL ELECTRICAL CABINETS

Purpose:

To report on tenders received for the Supply of Stainless Steel Electrical Cabinets and provide information concerning the use of electrical control boards.

Description of Item:

Tenders were called in the local and city newspapers and the AWA Publication, and closed at 3.30 pm on Tuesday 28 June 2005.

One tender was received, which was conforming, from TLE Electrical Suppliers Pty Ltd in the amount of \$97,515.00, exclusive of GST.

The stainless steel cabinets are used to house complex electrical and electronic hardware, which is used to control and monitor the Coffs Harbour City Council sewerage network, and reclaimed water system.

Stainless steel is a preferred material because of its intrinsic properties of strength, resistance to corrosion, and low maintenance costs. These cabinets have been used previously for the sewerage network control system.

The manufacture of electrical and electronic control cabinets will enable Coffs Harbour City Council to keep pace with expansion of the sewerage and water network, and provide the necessary infrastructure for the planned Capital Works.

- The stainless steel cabinets will be used to manufacture control boards and electrical switchboards for the efficient control and monitoring of the Mullaway and Arrawarra area pump stations and sewerage system.
- The stainless steel cabinets will be used to manufacture control boards and electrical switchboards scheduled for the next twelve months of pump station upgrades. These upgrades conform to the Coffs Harbour City Council Strategic Management Plan.
- The cabinets will be used to house equipment, which will control the pressure and monitoring in the reclaimed water main.

Work under this Contract:

Work under this contract includes the manufacture, engineering, painting and supply of stainless steel switchboards to Coffs Harbour City Council's specifications, and quality control requirements.

Sustainability Assessment:

- **Environment**

The stainless steel cabinets will be painted so as to be aesthetically suitable for the surrounding environment. Suitable paint colours and chemical composition will be chosen to Australian Standards.

cont'd

S40 Tender: Supply Of Stainless Steel Electrical Cabinets (cont'd)

The design of the new cabinets will reduce the over all size of traditional cabinet and control gear arrangements, and will ensure a neater, more compact system. The installation time of a pump station will be reduced, and provide easier installation.
There will be a reduction in noise and site mess.

The new sump station cabinets will house equipment, which will provide intelligent control, and telemetry, which will safeguard against adverse environmental effects.
The new system is also safer for system operators.

There will be visual operator displays, and e-mail facilities to enable fast response times and efficient operational management, which will protect the environment.
Electrical power savings will reduce greenhouse emissions, and smart control will ensure pumps run at the optimal efficiencies and speeds.

- **Social**

The pumping of sewage and Reclaimed Water is a necessary part of the overall Sewerage System. The Stainless Cabinets will ensure that this system is protected, and ensure correct functionality.

The General Public will not be adversely affected during any stage of construction of the Control Equipment or during its installation on site.

- **Economic**

Broader Economic Implications

The tendered sum excludes GST.

Expenditure under this contract has been accounted for in the budget and represents a significant saving over the next twelve months.

Efficient up-front design of engineered components will minimise production cost and time.

Related Policy and / or Precedents:

Tendering procedures were carried out in accordance with Council policy. Council's Tender Value Selection System was applied during the tender review process.

Statutory Requirements:

The calling, receiving and reviewing of tenders was carried out in accordance with the Local Government (tendering) Regulations.

Implementation Date / Priority:

The contract completion time is 12 months, with the option of extending this for a further 12 months. If Council resolves to award a contract, then it is anticipated that the supply of cabinets will be completed in July and August 2005, barring unforeseen delays.

cont'd

S40 Tender: Supply Of Stainless Steel Electrical Cabinets (cont'd)

Recommendation:

- 1. That the Council accept the tender of TLE Electrical Pty Ltd (ACN 003 762 641), for Contract No. 05/06-212-TO, "Supply of Stainless Steel Control Cabinets for the Construction of Sewerage and Reclaimed Water Control Switchboards" for the Sewerage and Re-use Water System, for the lump sum of \$97,515.00 excluding GST, on the basis that: -**
 - a) The tender is conforming, and was the most appropriate tender received.**
 - b) The tenderer has the necessary experience in the supply of similar components, and their referees have confirmed their ability, and satisfactory corporate and customer performance.**
 - c) The Tenderer's financial references are satisfactory.**
- 2. That the contract documents be completed under Seal of Council.**

Stephen Sawtell
Director of City Services

CITY BUSINESS UNITS DEPARTMENT REPORTS

B21 ACQUISITION OF LAND FOR ROAD PURPOSES - 17 MOONEE BEACH ROAD, MOONEE BEACH

Purpose:

Report seeking council approval for the acquisition of land at Moonee Beach for road purposes.

Description of Item:

Council has recently approached the owners of a property at 17 Moonee Beach Road, Moonee Beach regarding the acquisition of a part of their property required for road purposes.

The land required is shown on the attached plan contained in the confidential supplement to this report and is needed to facilitate the construction of a roundabout at this intersection as required by the Moonee Development Control Plan 2004.

The land required is part of Lot 45 DP 551811 owned by WSBI Pty Limited and has an area of 1,213.54 square metres. The property is zoned 2A Low Density Residential under the Coffs Harbour LEP 2000.

The owners of the property have agreed to the acquisition of the land by Council on the terms contained within the confidential supplement appended to this report.

Three other land acquisitions are required at this intersection so that construction of the roundabout can proceed. Negotiations are continuing with one owner and it is anticipated that once agreement has been reached a further report will be put to Council for consideration.

Sustainability Assessment:

- **Environment**

The land being acquired by Council has no significant vegetation upon it and comprises a grassed area. It is likely the vegetation will be removed as a result of the ensuing roadworks.

- **Social**

The acquisition of this land and subsequent upgrading of the road and construction of the roundabout will improve the local road network with regard to both safety and trafficability.

- **Economic**

Broader Economic Implications

Council's Valuer has negotiated the acquisition and considers the agreement reached is fair and reasonable to both parties.

cont'd

B21 Acquisition Of Land For Road Purposes - 17 Moonee Beach Road, Moonee Beach (cont'd)

Management Plan Implications

The acquisition costs associated with the land are to be funded by the Contributions Plan for the Moonee DCP. Construction works associated with the roundabout are also to be funded by the Contributions Plan however will be forward funded by the Developers of the nearby shopping centre to the south.

Statutory Requirements:

The land to be purchased is identified in the Contributions Plan and Acquisition Plan associated with the Moonee Development Control Plan.

Issues:

Without acquisition of the land the roundabout cannot be designed and constructed in the preferred location. Any compromise as to the location of the roundabout could lead to an inferior design affecting safety, cost and the overall functioning of the intersection.

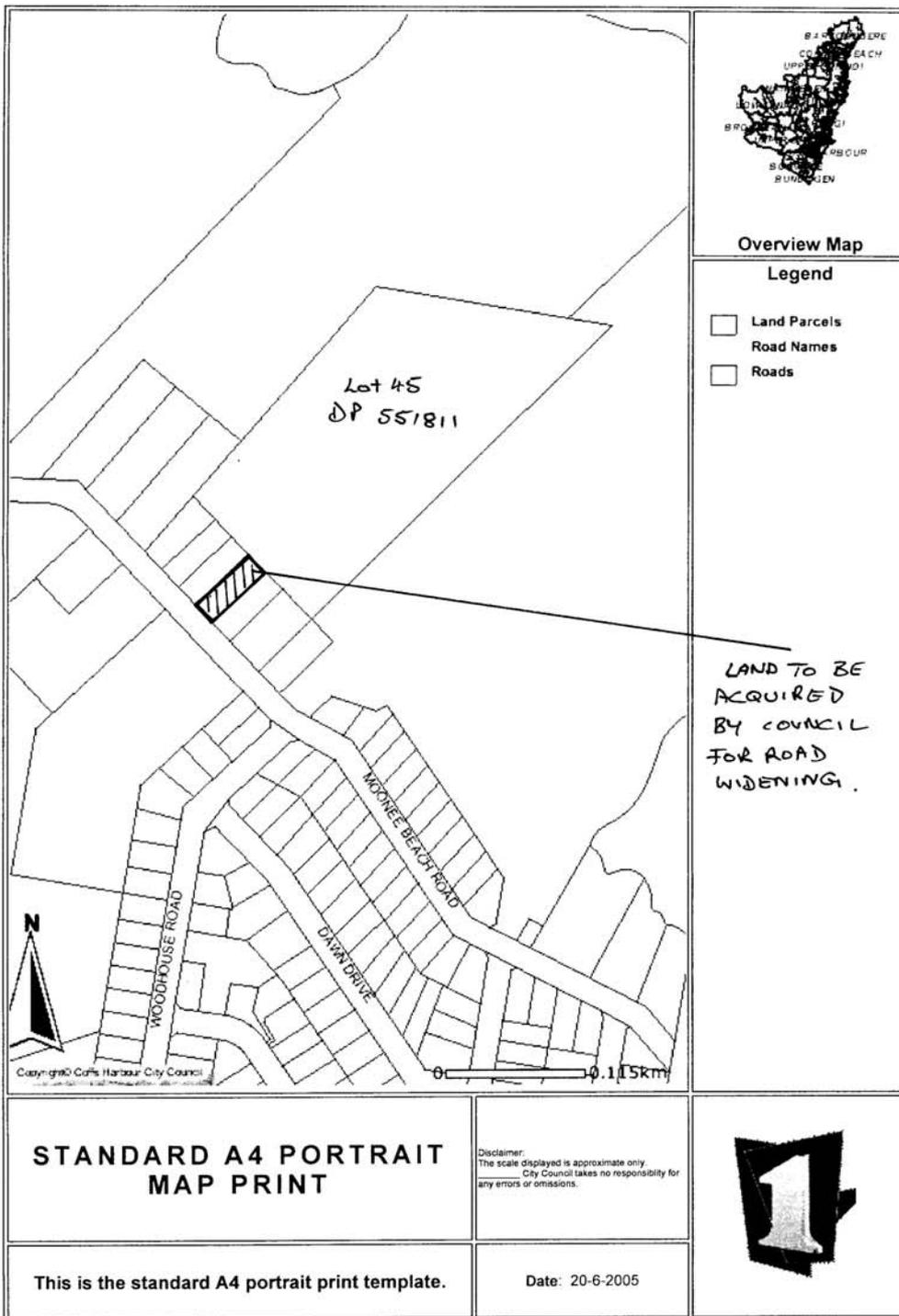
Implementation Date / Priority:

The matter will be actioned immediately following Council's resolution.

Recommendation:

1. That Council acquire that land having an area of 1,213.54 square metres from Lot 45 DP 551811 on the terms contained within the confidential supplement attached to this report.
2. That the land acquired by Council be dedicated as Public Road under the provisions of the Roads Act 1993.
3. That all necessary documents be executed under the common seal of Council.

Attachments:



B22 ACQUISITION OF LAND FOR ROAD WIDENING PURPOSES - 19 MOONEE BEACH ROAD, MOONEE BEACH

Purpose:

Report seeking Council approval for the acquisition of land at Moonee Beach for road widening

Description of Item:

Council has recently approached the owners of a property at 19 Moonee Beach Road, Moonee Beach regarding the acquisition of a small part of their property for road widening purposes.

The land required is shown on the attached plan contained in the confidential supplement to this report and is needed to facilitate the construction of a roundabout at this intersection as required by the Moonee Development Control Plan 2004.

The land required is part of Lot 5 DP 237102 owned by Mr and Mrs Hennessy and has an area of 18.2 square metres. The property is zoned 2A Low Density Residential under Coffs Harbour LEP 2000.

The owners of the property have agreed to the acquisition of the land by Council on the terms contained within the confidential supplement appended to this report.

Three other land acquisitions are required at this intersection so that construction of the roundabout can proceed. Negotiations are continuing with one owner and it is anticipated that once agreement has been reached a further report will be put to Council for consideration.

Sustainability Assessment:

- **Environment**

The land being acquired by Council is lightly vegetated with small shrubs planted as a buffer to Moonee Beach Road. It is likely the vegetation will be removed as a result of the ensuing roadworks.

- **Social**

The acquisition of this land and subsequent upgrading of the road and construction of the roundabout will improve the local road network with regard to both safety and trafficability.

- **Economic**

Broader Economic Implications

Council's Valuer has negotiated the acquisition and considers the agreement reached is fair and reasonable to both parties.

cont'd

B22 Acquisition Of Land For Road Widening Purposes - 19 Moonee Beach Road, Moonee Beach (cont'd)

Management Plan Implications

The acquisition costs associated with the land are to be funded by the Contributions Plan for the Moonee DCP. Construction works associated with the roundabout are also to be funded by the Contributions Plan however will be forward funded by the Developers of the nearby shopping centre to the south.

Statutory Requirements:

The land to be purchased is identified in the Contributions Plan and Acquisition Plan associated with the Moonee Development Control Plan.

Issues:

Without acquisition of the land the roundabout cannot be designed and constructed in the preferred location. Any compromise as to the location of the roundabout could lead to an inferior design affecting safety, cost and the overall functioning of the intersection.

Implementation Date / Priority:

The matter will be actioned immediately following Council's resolution.

Recommendation:

- 1. That Council acquire that land having an area of 18 square metres from Lot 5 DP 237102 on the terms contained within the confidential supplement attached to this report.**
- 2. That the land acquired by Council be dedicated as Public Road under the provisions of the Roads Act 1993.**
- 3. That all necessary documents be executed under the common seal of Council.**

P C Littler
Director of City Business Units

Attachments:

