



**COFFS HARBOUR CITY COUNCIL  
ORDINARY MEETING  
COUNCIL CHAMBERS  
COUNCIL ADMINISTRATION BUILDING  
COFF AND CASTLE STREETS, COFFS HARBOUR  
20 MARCH 2008**

**Contents**

<b>ITEM</b>	<b>DESCRIPTION</b>	<b>PAGE</b>
<b>GENERAL MANAGER'S REPORT</b>		
3	2008/2009 ENVIRONMENTAL PROJECTS SCHEDULE	1
<b>CORPORATE BUSINESS DEPARTMENT REPORTS</b>		
C9	ORARA VALLEY COMMUNITY SWIMMING POOL	13
C10	MONTHLY BUDGET REVIEW FOR JANUARY 2008	15
C11	OUTSTANDING REPORTS AND RESOLUTIONS AWAITING IMPLEMENTATION	20
C12	BANK BALANCES AND INVESTMENTS FOR JANUARY 2008	25
<b>CITY SERVICES DEPARTMENT REPORTS</b>		
S9	TENDERS: INTERNAL REPAINTING AND INTERNAL ALTERATIONS OF RED HILL NO. 2 BALANCE TANK (CONTRACT 07/08-339-TO)	29



# COFFS HARBOUR CITY COUNCIL

## ORDINARY MEETING

20 MARCH 2008

Mayor and Councillors

### GENERAL MANAGER'S REPORT

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#### 3 2008/2009 ENVIRONMENTAL PROJECTS SCHEDULE

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##### **Purpose:**

To provide Council with the recommended program of works for the 2008/2009 Environmental Levy program for inclusion in the 2008/2009 Draft Management Plan.

##### **Description of Item:**

Council invited submissions for funding from the 2008/2009 Environmental Levy from Monday 15 October 2007 until Friday 30 November 2007.

A total of 38 submissions were received. A booklet containing all submissions is available in the Councillor's room for inspection.

The recommended program is included with this report.

##### **Sustainability Assessment:**

- **Environment**

The Environmental Levy program is designed to ensure that environmental priorities (as outlined within Council's State of Environment Report) are addressed. All projects recommended for funding will result in beneficial outcomes for the environment of the Coffs Harbour Local Government Area (LGA).

### 3 2008/2009 Environmental Projects Schedule ...(Cont'd)

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- **Social**

Determination of successful projects is based on assessment criteria which includes the following:

- Generate a community benefit;
- Be community based; and
- Improved aesthetic quality of our natural environment and amenity.

A number of community groups applied for funding from the 2008/2009 Environmental Levy, with several being recommended for receipt of some funding. In addition, the broader community benefits from the completion of high priority environmental management projects funded by the Environmental Levy.

- **Economic**

It is estimated that \$974,000 income will be available for Environmental Levy projects in 2008/2009. This includes income from the 2008/09 Environmental Levy, a contribution from the Water Fund of \$50,000 towards the Orara River works, and interest. The Environmental Levy Working Group has recommended \$991,100 of funding to be allocated in accordance with the schedule below. It is proposed to fund the \$21,100 shortfall from a surplus in 2007/08 resulting from the Senior Biodiversity Officer's position being vacant for some time.

#### **Consultation:**

The Environmental Levy Working Group, which includes four community representatives, three Councillors and three staff members is an advisory committee of Council. The Environmental Levy Working Group met on 12 February 2008 to consider submissions and State of the Environment Report priorities and to recommend a program of works. The recommended program is included in this report and the minutes of the Working Group's meeting are provided in Attachment 1.

Where appropriate, discussions were held with Council staff with a specific area of expertise to obtain advice on works proposed in submissions.

#### **Related Policy and / or Precedents:**

Each year the Environmental Levy Program is formulated concurrent with the preparation of Council's Draft Management Plan. This allows community input and Environmental Levy Working Group discussion before the program of works are finalised. Assessment of submissions is undertaken in accordance with an adopted Council policy, which states that submissions must meet the following criteria to be eligible for funding:

- address an identified priority or priorities in Coffs Harbour City Council's most recent State of Environment Report;
- protect and enhance the natural environment;
- provide potential to attract outside funding sources;
- generate a community benefit and be community-based;
- meet a critical environmental need;
- improve aesthetic quality of our natural environment and amenity;
- works on private land must prove a "public benefit" rather than only benefiting an individual or group;
- protect and enhance the natural environment.

### 3 2008/2009 Environmental Projects Schedule ...(Cont'd)

#### Issues:

#### 2008/2009 Recommended Environmental Levy Program

The Environmental Levy Working Group's recommended 2008/2009 Environmental Levy Program is shown below:

All submissions included in the recommended program address a priority one issue in Council's State of Environment Report. Several submissions are recommended with a reduced level of funding, such as Bushland Regeneration and the Orara River Restoration Project.

Details of all recommended projects are as follows, and a schedule of funding sources and summary of projects is included in Part 1 of the recommendations.

<b>PROJECT</b>	<b>RECOMMENDED AMOUNT</b>
Conservation and Sustainable Management of Biodiversity in the Coffs Harbour LGA	174,000
Orara River Restoration Project	
Camphor Laurel/Privet Control	101,264
Cat's Claw/Honey Locust Eradication	21,105
Revegetation/Tree Planter	26,031
CHCC Nursery	21,600
<b>Project Total</b>	<b>170,000</b>
Bushland Regeneration	150,000
Environmental Weed Control	
Bitou Bush	12,285
Camphor Laurel Removal	61,532
Privet	13,071
Glory Lily	21,984
Pine Trees	5,100
Celtis/Pepper Tree	6,028
<b>Project Total</b>	<b>120,000</b>
CHCC Local Environmental Plan Review: Vegetation Mapping Project – ground truth component	100,000
The Coffs Creek Flyingfox Camp Vegetation Management Plan Implementation Phase 1	80,000
NSW Coastline Cycleway	62,500
Landcare / Dunecare Vote 2008 / 2009	50,000
Environmental Levy Coordination	45,600
Environmental Education Officer	16,000
Regenerating and Enhancing Native Vegetation of Coffs Creek	10,000
Coffs Jetty Foreshore Reserve Follow Up	8,000
Impact on Freshwater Ecosystems	5,000
<b>TOTAL 2008/09 Allocation</b>	<b>991,100</b>

### 3 2008/2009 Environmental Projects Schedule ...(Cont'd)

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#### Funding Sources

Environmental Levy	\$900,000
Interest on reserve	\$20,000
Water fund contribution	\$50,000
EL Reserve	\$21,100
Total funds	\$991,100

#### Conservation and Sustainable Management of Biodiversity in the Coffs Harbour LGA

Funds of \$204,100 were requested to fund two existing Council positions. The existing positions will be responsible for assessing biodiversity impacts of development applications, activities under Part V of the EP&A Act, and providing support internally and externally in relation to the local Tree Preservation Order, Draft Vegetation Strategy, and Koala Plan of Management. The positions will also investigate non-compliance with relevant Local, State, and Federal biodiversity legislation. In addition to this, the positions will be responsible for implementation of key projects contained in the Biodiversity Action Strategy as well as seeking ongoing support for the sustainable management of biodiversity within the LGA.

Last year \$168,200 was allocated to the above. This year an increased amount of \$204,100 was requested from the Environmental Levy. The Environmental Working Group has recommended that an amount of \$174,000.00 be allocated to fund the two existing Council positions. The additional \$30,100 for equipment and other resources is not supported by the Environmental Levy Working Group due to financial constraints in the program.

**It is recommended that \$174,000 be allocated to the Conservation and Sustainable Management of Biodiversity in the Coffs Harbour Local Government Area from the 2008/2009 Environmental Levy Program.**

#### Orara River Restoration

The Orara Rivercare Groups Management Committee Inc. requested \$205,257 for continuation of the Orara River Restoration works. Works are in accordance with the River Management Plan that has been approved by the Department of Natural Resources (DNR). \$185,000 was allocated to this project last year and has been reduced to \$170,000 due to financial constraints in the program.

**It is recommended that \$170,000.00 be allocated from the 2008/2009 Environmental Levy Program to the Orara River Restoration Project.**

### 3 2008/2009 Environmental Projects Schedule ...(Cont'd)

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#### Bushland Regeneration

Last year \$185,000 was allocated to the Bush Regeneration Program. Specifically, this has funded two bush regeneration officers full time. Works are undertaken in accordance with an established program, details of which are included in the submission. This year Council's Recreational Services Branch requested an increased amount of \$200,000 for the Bushland Regeneration Program. The committee recommended that an amount of \$150,000 be allocated in the 2008/2009 Environmental Levy program.

**It is recommended that \$150,000 be allocated to Bush Regeneration from the 2008/2009 Environmental Levy Program for works to be undertaken in accordance with the established program.**

#### Environmental Weed Control

Last year \$156,000 was allocated to this program. This year an increased amount of \$179,175 was requested from the Environmental Levy. The removal of Camphor Laurel, Privet and Glory Lily are high priority tasks. A program of works exists for each weed and works are co-coordinated by Council's Recreational Services Branch. The Environmental Working Group has recommended that an amount of \$120,000 be allocated to the weed eradication program due to financial constraints in the Environmental Levy program.

**It is recommended that \$120,000 be allocated from the 2008/2009 Environmental Levy Program for Environmental Weed Control.**

#### Local Environmental Plan Review: Vegetation Mapping Project – Ground Truth Component

Council's Strategy and Sustainability Branch had initially requested \$380,000 to carry out this project. However \$100,000 was allocated on the basis that the funding would be sufficient to proceed with vegetation layers to enable progression of the Local Environmental Plan Review. This project is centred on the CHCC vegetation GIS layer. This layer requires updating and is to be included in the Local Environmental Plan review. The objective of this project is to implement the ground truth project as the final step in updating the GIS vegetation layer within the CHCC corporate layer and new photography involving ground truthing to refine the accuracy of existing mapping.

**It is recommended that \$100,000 be allocated from the 2008/2009 Environmental Levy Program for the Local Environmental Plan Review: Vegetation Mapping Project – Ground Truth Component.**

### 3 2008/2009 Environmental Projects Schedule ...(Cont'd)

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#### The Coffs Creek Flyingfox Camp Vegetation Management Plan Implementation Phase 1

\$150,000 is sought by Council's Strategy and Sustainability Branch to implement Phase 1 of the Coffs Creek Flyingfox Camp Vegetation Management Plan (CCFFCVMP). The CCFFCVMP has been endorsed by Council as a key action and is recognised as a priority under the Biodiversity Action Strategy. Initial project works includes arborist's works on private properties and on the periphery of the reserve in order to restrict flyingfox encroachment into the residential areas. Phase 1 experiences the largest budget requirements due to extensive professional services in initial weed removal and works within private properties. The Working Group recommended reduced funding of \$80,000 to initiate Phase 1 of the required works.

**It is recommended that \$80,000 be allocated from the 2008/2009 Environmental Levy Program for the Coffs Creek Flyingfox Camp Vegetation Management Plan Implementation Phase 1.**

#### NSW Coastline Cycleway

Council's Survey and Design Branch requested \$62,500 in matching funding from the Environmental Levy Program for completion of the NSW Coastline Cycleway due to the environmental sustainability of the project and its application to key priority one environmental issues. The next stage of the Cycleway will link Woolgoolga through to the other Northern Beaches villages of Hearn's Lake, Sandy Beach, Emerald Beach and Moonee Beach. A grant application was submitted to the Department of Natural Resources for the 2007/08 NSW Coastline Cycleway program and was successful in obtaining \$125,000 in grant funding. The grants program will fund 1:1 of successful applications and as part of the works includes construction of the cycleway over the new sewer rising main from the Woolgoolga Sewerage Treatment Works, \$62,500 will be funded as part of the sewerage works. Therefore the remaining funding is sought from the Environmental Levy Program.

**It is recommended that \$62,500 be allocated from the 2008/2009 Environmental Levy Program for the NSW Coastline Cycleway.**

#### Dunecare/Landcare Vote

Coffs Harbour Regional Landcare Inc requested \$82,905 to assist landcare and dunecare activities for a number of volunteer landcare groups. Funds will be used to engage bush regeneration contractors, builders and material required for the proposed walkways at Korora and Mullaway, for purchase of necessary educational materials and tools. \$38,050 was allocated to this program last year. It was recommended that \$50,000 be allocated on the basis that several of the contract activities nominated in the application would be undertaken and funded by Recreational Services Branch.

**It is recommended that \$50,000 be allocated from the 2008/2009 Environmental Levy Program to the Dunecare/Landcare Vote subject to the funds being administered by Council's Recreational Services Branch.**

### 3 2008/2009 Environmental Projects Schedule ...(Cont'd)

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#### Environmental Levy Co-Ordination

On 1 July 2006, the Program Support section became responsible for the administration of the Environmental Levy Program. It is imperative to monitor and report on timing of expenditure, project progress, and provide services to applicants. Co-ordination of the Environmental Levy program is essential to ensure best results are achieved, especially in the areas of administration and financial management of the program.

**It is recommended that \$45,600 be allocated towards co-ordination and administration of the 2008/2009 Environmental Levy Program.**

#### Environmental Education Officer

Council's Recreational Services Branch has requested \$16,000 for the Botanic Gardens Education Officer. This project has been funded in previous years and is essential in implementing aspects of the Botanic Gardens Management Strategy and Biodiversity Action Strategy. The Officer will be responsible for working with staff and volunteers to continue developing educational programs which is linked to the relevant NSW Board of Studies syllabus documents for students in years K-12. This will include further development of links to local and regional schools. The Environmental Working Group has recommended that \$16,000 be allocated for this project.

**It is recommended that \$16,000 be allocated to the Environmental Education Officer from the 2008/2009 Environmental Levy Program.**

#### Regenerating and Enhancing Native Vegetation of Coffs Creek

Coffs Harbour Regional Landcare Inc has requested \$20,102 to undertake weed eradication in remnant bushland and improve riparian vegetation along the bank of Coffs Creek. The works would primarily be removal of Camphor Laurel trees, Senna and Broad Leaf Paspalum along Coffs Creek by qualified bush regenerators. The Working Group has recommended an amount of \$10,000 be allocated to this project.

**It is recommended that \$10,000 be allocated to Regeneration and Enhancing Native Vegetation of Coffs Creek from the 2008/2009 Environmental Levy Program.**

#### Coffs Jetty Foreshore Reserve Follow Up

The Jetty Dunecare Group has requested \$9,971.50 for the engagement of a qualified bush regeneration contractor to continue chemical weed eradication control along the Jetty Foreshores. The Working group has recommended an amount of \$8,000 be allocated to this project.

**It is recommended that \$8,000 be allocated to Jetty Dunecare Inc from the 2008/2009 Environmental Levy Program for the follow up of Coffs Jetty Foreshore Reserve restoration.**

### 3 2008/2009 Environmental Projects Schedule ...(Cont'd)

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#### Impact on Freshwater Ecosystems

Judy Davies has requested \$5,000 to continue the valuable work being carried out researching the impact that excessive clearing, invasive plants and bridge restoration has on Freshwater Ecosystems. These studies will enable the various landcare groups to carry out more appropriate rehabilitation. Works will include the study of the effects of Camphor Laurels on waterways and assisting with the set up of Water Watch Programmes and Water Bug Surveys in the local Primary Schools.

**It is recommended that \$5,000 be allocated to Judy Davies from the 2008/2009 Environmental Levy Program for researching the Impact on Freshwater Ecosystems.**

#### Adaptation to Climate Change in Coffs Harbour

Council's Strategy and Sustainability Branch requested \$50,000 to undertake a risk management assessment to identify any risks from dangerous climate change and provide Council with scenarios and option to adapt. Due to funding restrictions the project did not receive an allocation from the 2008/09 Environmental Levy Program. However, the Working Group recommended that subject to the approval of grant funding valued at \$50,000 from the Local Adaptation Pathways Programme Grant, the project would be included in the 2009/10 Environmental Levy Program.

**It is recommended that \$50,000 be allocated to Adaptation to Climate Change in Coffs Harbour from the 2009/2010 Environmental Levy Program subject to grant funding approval.**

#### Other Departments Comments:

Council staff and members of the Environmental Working Group were consulted in the preparation of this report.

#### **Implementation Date / Priority:**

The recommendations of this report will be implemented immediately upon Council adoption.

3 2008/2009 Environmental Projects Schedule ...(Cont'd)

Recommendation:

1. That the Draft 2008/2009 Environmental Levy Program as recommended by the Environmental Levy Working Group as listed below, be incorporated into Council's 2008/2009 Draft Management Plan:

Project	Recommended Amount
<b>Conservation and Sustainable Management of Biodiversity in the Coffs Harbour LGA</b>	<b>174,000</b>
Orara River Restoration Project	
Camphor Laurel / Privet Control	101,264
Cat's Claw / Honey Locust Eradication	21,105
Revegetation / Tree Planter	26,031
CHCC Nursery	21,600
<b>Project Total</b>	<b>170,000</b>
<b>Bushland Regeneration</b>	<b>150,000</b>
<b>Environmental Weed Control</b>	
Bitou Bush	12,285
Camphor Laurel Removal	61,532
Privet	13,071
Glory Lily	21,984
Pine Trees	5,100
Celtis/Pepper Tree	6,028
<b>Project Total</b>	<b>120,000</b>
<b>CHCC Local Environmental Plan Review: Vegetation Mapping Project – ground truth component</b>	<b>100,000</b>
<b>The Coffs Creek Flyingfox Camp Vegetation Management Plan Implementation Phase 1</b>	<b>80,000</b>
<b>NSW Coastline Cycleway</b>	<b>62,500</b>
<b>Landcare / Dunecare Vote 2008 / 2009</b>	<b>50,000</b>
<b>Environmental Levy Coordination</b>	<b>45,600</b>
<b>Environmental Education Officer</b>	<b>16,000</b>
<b>Regenerating and Enhancing Native Vegetation of Coffs Creek</b>	<b>10,000</b>
<b>Coffs Jetty Foreshore Reserve Follow Up</b>	<b>8,000</b>
<b>Impact on Freshwater Ecosystems</b>	<b>5,000</b>
<b>TOTAL 2008/09 Allocation</b>	<b>991,100</b>

**Funding available:**

Environmental Levy	\$900,000
Interest	\$20,000
Water Fund Contribution	\$50,000
EL Reserve	<u>\$21,100</u>
<b>Total Available</b>	<b><u>\$991,100</u></b>

**3 2008/2009 Environmental Projects Schedule ...(Cont'd)**

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- 2. That a contribution of \$50,000 from the Water Fund be provided in the 2008/2009 Management Plan towards the Orara River Restoration works.**
- 3. That Council notes the Minutes of the Environmental Working Group meeting held on 12 February 2008.**
- 4. That final replies to submissions be sent after Council's 2008/2009 Management Plan is adopted.**
- 5. That members of the Environmental Working Group be thanked for their involvement and informed of the adopted program.**
- 6. That \$50,000 be allocated to Adaptation to Climate Change in Coffs Harbour from the 2009/2010 Environmental Levy Program subject to \$50,000 grant funding approval.**

Stephen Sawtell  
**General Manager**

**Attachments:**

**ENVIRONMENTAL LEVY WORKING GROUP**

**Tuesday, 12 February 2008  
Council Chambers**

Attendees: Cr Rod McKelvey (chairman) John Ross  
Cr Keith Rhoades Jeff Green  
Cr Gavin Smithers George Stulle  
Dee Wallace Tony Mutkins  
Garry Dew Amy Lake

Apologies: Adrian Maloney

**MINUTES**

**Meeting Opened – 4.33 pm**

**1. Business arising from minutes of previous meeting**

The Chairman commented that he was satisfied with the current Environmental Levy procedure and the application timetable that was determined at the previous meeting.

Discussion regarding the use of "0" in future meetings. Group notified that a recommendation would need to be made to Council to alter the scoring criteria. A motion would need to be put to Council as the original scoring criteria was adopted by Council resolution.

Another issue discussed was the State of Environment which is scored on a Y or N basis rather than the score of 1 to 4. Garry Dew commented that not all submissions had addressed this part of the criteria and therefore there were inconsistencies in the assessment of applications.

The current pool of Environmental Levy funds to be allocated is \$974,000 (as advised by Dennis Crispin, this amount includes \$50,000 from Water and interest) for the 2008/09 financial year.

**2. Current Status of Environmental Levy Program 2007/08**

- Tabled current overview of status of Environmental Levy as at 11 February 2008 was provided to each Committee member.
- The 2007/08 EL programme and revotes amount to approximately \$1.53 million, with \$573,355 spent to date.
- It was noted that the funding for the Emergency open at Arrawarra Creek is still remaining. George Stulle notified the group that work was carried out over Christmas and the expense was costed to Design/Sewer instead of Environmental Levy. This will be rectified during year-end accounting adjustments.
- Chairman queried what was a reasonable timeframe for remaining funds to be unspent. Kyme Lavelle stated 2 – 3 years was considered reasonable.

- A recommendation by members was that a 'Discretionary Funding' column be considered for inclusion rather than holding funding for projects on a long term basis for projects such as the Emergency opening at Arrawarra Creek that isn't a continual project.
- It was suggested that the Revotes from previous years be combined into a single column for ease of use.
- Dee Wallace noted that the LGA Vertebrate Pest Management Study had "completed" written beside it yet there was still \$4,274 remaining funding. Amy Lake notified the group that the funds are to be returned to the Environmental Levy Pool and is currently awaiting approval of Council's Executive Team as a result of the December Quarter Report.

### 3. Assessment and Prioritisation of 2008/09 Applications

Scoring and Ranking of Submissions took place.

Pecuniary and non pecuniary interests were noted as follows:

Submission No.	Pecuniary Interest	Non-pecuniary Interest
10	John Ross Garry Dew	
14	Dee Wallace	
17	Dee Wallace	
29		John Ross Dee Wallace Rod McKelvey
30		John Ross Dee Wallace Rod McKelvey

### 4. Other Issues

It should be noted that Submission 19, CHCC Local Environmental Plan Review: Vegetation Mapping Project - ground truth component, was originally budgeted at \$380,000. As advised by Jeff Green, a review of costs has brought this figure down to \$100,000 and this project is considered to be a high priority.

It was determined at the meeting that scoring of the Environmental Levy applications would take place today and that it would be necessary to hold another meeting to review and discuss the current process as a group and prepare a recommendation to be considered by Council.

It was recommended by the working group that Council's Bike Fleet submission be considered by the Plant Committee, as the purchase of 4 bicycles was a viable form of transport.

**Meeting Closed – 7.00 pm**

## CORPORATE BUSINESS DEPARTMENT REPORTS

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### C9 ORARA VALLEY COMMUNITY SWIMMING POOL

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#### **Purpose:**

To report to Council on investigations to provide additional privacy to the property adjoining the pool.

#### **Description of Item:**

At its meeting held on 7 February 2008, Council resolved to extend the pool opening times until 6.00pm on Saturday and Sundays, with discretion to extend to 8pm as required.

Council further resolved to investigate appropriate ways to improve the privacy of the adjoining property, possibly by way of additional fencing.

Discussions have been held with the owners of the neighbouring property with a view to agreeing on a suitable solution. What has been suggested is the erection of treated timber lattice to cover those parts of the existing security fence, presently covered with shade cloth material. The shade material would remain and the lattice will be placed over the top of it and be attached to the existing frame of the security fence. A garden bed is then to be established in front of the lattice and planted out with a hedge which will eventually provide an aesthetically appealing screen. Mature hedge plants are to be used.

Also mulching is to take place over part of the area between the security fence and the neighbour's fence line to help encourage the growth of plants that have already been planted, and reduce the need for maintenance of this area.

The adjoining owners have indicated they are happy with the proposed arrangements, but of course are still upset about the extension of the operating hours. The total cost of the proposed works are estimated at \$8,500.

Council has also been approached by a member of the local committee requesting Council pay for the erection of a fence between the school and the pool car park. The timber for the fence has been donated and only erection is required. The estimated cost to erect the fence is estimated at \$1,500.

#### **Sustainability Assessment:**

- **Environment**

The works will have a beneficial environmental impact by providing an aesthetically pleasing screen fence arrangement.

- **Social**

The works will improve the privacy of the neighbouring property and its occupants.

## **C9 Orara Valley Community Swimming Pool ...(Cont'd)**

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- **Economic**

### **Broader Economic Implications**

The works are not of such a scale to have a broad impact.

### **Management Plan Implications**

Funding will be from the Community Facilities Programme.

### **Consultation:**

Council staff have held discussions with the owners of the adjoining property. Council's Horticultural Staff have advised in relation to the planting and mulching.

### **Statutory Requirements:**

Provided that Council has complied with the conditions of the development approval for the pool, Council is not obliged to carry out further work.

### **Issues:**

The adjoining owners have objected to the pool, mainly on the basis of noise and loss of privacy. Although measures have been taken to mitigate these impacts, they are still not happy about the outcomes.

At its meeting on 7 February 2008 Council was obviously concerned about the privacy issue, hence the request for the investigation and this report.

If the work described earlier in the report is carried out, it will definitely improve the amenity of the adjoining property. It is therefore recommended that it should proceed.

In relation to the request to erect a fence between the school and pool car park, it is recommended that this work be carried out to take advantage of the donation of the timber.

### **Implementation Date / Priority:**

The matter will be actioned immediately if Council approves the expenditure.

### **Recommendation:**

1. **That Council carry out the works described in this report to improve the privacy of the property adjoining the Orara Valley Community Swimming Pool and to erect a fence on the western side of the car park.**
2. **That the estimated cost of \$10,000 be funded from the Community Facilities Programme.**

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## C10 MONTHLY BUDGET REVIEW FOR JANUARY 2008

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### Purpose:

To report on the estimated budget position as at 31 January 2008.

### Description of Item:

Estimated Budget Position as at 31 January 2008:

	<b>General Account \$</b>	<b>Water Account \$</b>	<b>Sewer Account \$</b>
Original Budget adopted 21st June 2007	Nil	2,514,877 (D)	2,900,460 (D)
Approved variations to 31 Dec 2007	134,604 (D)	38,135 (D)	48,135 (D)
Recommended variations for January per attached exception report	Nil	Nil	Nil
Estimated result 2007/08 as at 31 January 2008	<u>134,604</u> (D)	<u>2,553,012</u> (D)	<u>2,948,595</u> (D)

### Sustainability Assessment:

This report is one of procedure only.

- **Environment**

There are no perceived short or long-term environmental impacts.

- **Social**

There are no perceived short or long term social impacts.

- **Economic**

#### Management Plan Implications

The Original budget for the General Account adopted on the 21 June 2007 provided for a balanced position.

For substantial budget adjustments the associated council reports have addressed the TBL factors independently in 2007/08.

### Consultation:

Managers have been provided with budget analysis reports for each program. Requested variations and variations adopted by Council have been included in the report.

## C10 Monthly Budget Review For January 2008 ...(Cont'd)

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### Statutory Requirements:

Under local government regulations Council is required to submit a quarterly budget review to Council. Therefore Council is under no obligation to provide monthly reviews but has recommended they be completed as part of prudent financial management.

The Responsible Accounting Officer believes this report indicates the financial position of the Council is satisfactory, having regard to the original estimate of Income and Expenditure.

### Recommendation:

1. The variations in the attached exception report be approved.
2. The revised Budget position as at 31 January 2008 be noted:

	<b>General Account \$</b>	<b>Water Account \$</b>	<b>Sewer Account \$</b>
<b>Original Budget adopted 21st June 2007</b>	<b>Nil</b>	<b>2,514,877 (D)</b>	<b>2,900,460 (D)</b>
<b>Approved variations to 31 Dec 2007</b>	<b>134,604 (D)</b>	<b>38,135 (D)</b>	<b>48,135 (D)</b>
<b>Recommended variations for January per attached exception report</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
<b>Estimated result 2007/08 as at 31 January 2008</b>	<b><u>134,604 (D)</u></b>	<b><u>2,553,012 (D)</u></b>	<b><u>2,948,595 (D)</u></b>

**Attachments:**

**2007/08 BUDGET EXCEPTION REPORT TO 31 JANUARY 2008**

	Account Number	Lineitem	Full Yr Budget (incl revotes)	YTD 1/7/07 - 31/1/08	Additional Required	Surplus Available	Net Result	Net Comment
<b>CORPORATE BUSINESS</b>								
<b><u>Economic Development</u></b>								
<b>EDU Projects</b>								
Business Development Workshops	1480840003485	120100	35,000	7,151		10,000		Reallocate to Investment Attraction Strategy
Tourism Product Dev	1480930003485	120100	-	331	35,000			Transfer to Food & Wine Festival Budget
Survey Work - Business Confidence	1480890003485	120102	10,000			2,500		Reallocate to Investment Attraction Strategy
Maintain Data & Update Profile	1480740003485	120102	46,400			35,000		Reallocate to Tourism Product Development
Business Newsletters	1480400003485	120106	20,000	9,487		6,000		Reallocate to Investment Attraction Strategy
Investment Attraction Material	1480410003485	120107	52,391	41,155	18,500			Reallocation from other EDU Projects
					<b>53,500</b>	<b>53,500</b>	<b>-</b>	
<b>Program Support</b>								
Internal Audit & Quality Assurance	1141280003485	440055			4,820	4,820		External Consultant Report
Program Support Staff Costs	1140000003111	440025	289,900	147,447				Surplus salaries to fund consultant report
					<b>4,820</b>	<b>4,820</b>	<b>-</b>	
<b>LAND USE HEALTH &amp; DEVELOPMENT</b>								
<b><u>Land Use Assessment &amp; Management</u></b>								
Staff Costs	1210000003111	220025	1,571,100	835,811	47,291	47,291		Replacement Staff for Secondment
Staff Secondment Income	1219700001750	220760						Department of Housing Contribution to Secondment
					<b>47,291</b>	<b>47,291</b>	<b>-</b>	
<b><u>Environmental Health</u></b>								
Orara River Rehab Project Yr 4	1223520003485	230324			100,000			NRCMA 100% grant funded project
NRCMA Grant - Orara River Rehab	1229780001639	230739				100,000		Grant funding for Project
EL Orara River								
Camphor/Privet Control	1224180003485	230325	100,733	49,943	483			Reallocation of EL funds
River Bed Restoration	1224130003485	230325	1,379	896		483		Reallocation of EL funds
EL Bruce King Dr Bat Colony	1224740003485	230390	5,000	726		4,274		Surplus EL funds returned to pool
Transfer from Reserve	1229990002799	230999	(788,798)		4,274			EL funds returned to Reserve
EL Vertebrate Pest Management Study	1224850003485	230391	2,449	2,320		129		Surplus EL funds returned to pool
Transfer from Reserve	1229990002799	230999	(788,798)		129			EL funds returned to Reserve
EL provision of Sea & Shore Bird	1224420003485	230417	3,500	3,023		477		Surplus EL funds returned to pool
Transfer from Reserve	1229990002799	230999	(788,798)					EL funds returned to Reserve
					<b>105,363</b>	<b>105,363</b>	<b>-</b>	
<b><u>LAND USE HEALTH &amp; DEVELOPMENT</u></b>								
					<b>152,654</b>	<b>152,654</b>	<b>-</b>	

**2007/08 BUDGET EXCEPTION REPORT TO 31 JANUARY 2008**

Account Number	Lineitem	Full Yr Budget (incl revotes)	YTD 1/7/07 - 31/1/08	Additional Required	Surplus Available	Net Result	Comment
<b>CITY SERVICES</b>							
<b>Engineering Support</b>							
1304600003485	510280	16,627	(1,555)		18,182		Remove budget as project not proceeding
1309300001639	510760	(9,091)	9,091	18,182			Adjust budget to refund grant
				<b>18,182</b>	<b>18,182</b>	<b>-</b>	
<b>Community Services</b>							
1462470003485	516222	90,500	63,822	1,818			Internship 100% grant funding
1469800001639	516755				1,818		Grant funding for above project
1463010003485	516241			2,000			100% grant funded project
1469390001639	516765				2,000		Grant funding for Project
				<b>3,818</b>	<b>3,818</b>	<b>-</b>	
<b>Local Roads</b>							
1524910003485	535503	746,069	25,160	203,931			To bring budget up to estimated cost of works per Corporate Bus Meeting 21/2/08
1529270001775	535795	(298,000)	-	168,000			Revised contribution from Developer to road per Corporate Bus Meeting 21/2/08
1529990002799	535999	(10,585,177)			371,931		Shortfall in road funding met by S94 Reserve per Corporate Bus Meeting 21/2/08
				<b>371,931</b>	<b>371,931</b>	<b>-</b>	
<b>Footpaths, Cycleways, Bus Shelters</b>							
Bus Shelter Construction							
1547350003485	538540	95,715	36,068				CPTIGS 100% grant funded project
1547360003485	538540			23,000			CPTIGS 100% grant funded project
1547370003485	538540			55,000			CPTIGS 100% grant funded project
Grant - Bus Shelter Construction							
1549350001679	538728				23,000		Grant funding for above project
1549360001679	538728				272,000		Grant funding for above project
1549370001679	538728				55,000		Grant funding for above project
				<b>350,000</b>	<b>350,000</b>	<b>-</b>	

**2007/08 BUDGET EXCEPTION REPORT TO 31 JANUARY 2008**

	Account Number	Lineitem	Full Yr Budget (incl revotes)	YTDA 1/7/07 - 31/1/08	Additional Required	Surplus Available	Net Comment Result
<b>Design</b>							
Coffs Coast Transport Challenge	1341110003485	560047			2,000		Project 100% grant funded
Grant - Coffs Coast Transport Challenge	1349130001639	560748				2,000	Grant funding for above project
Hurley Dr/ Wingara Dr RTA Design	1343550003485	560405			10,420		Project 100% grant funded
RTA Grant - Hurley Dr/ Wingara Dr Design	1349780001679	560745				10,420	Grant funding for above project
				<b>12,420</b>	<b>12,420</b>		<b>-</b>
<b>CITY SERVICES</b>							
				<b>756,351</b>	<b>756,351</b>		<b>-</b>
<b>SUMMARY</b>							
CORPORATE BUSINESS				58,320	58,320		-
LAND USE HEALTH & DEVELOPMENT				152,654	152,654		-
CITY SERVICES				756,351	756,351		-
<b>TOTAL GENERAL ACCOUNT</b>				<b>967,325</b>	<b>967,325</b>		<b>-</b>

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## **C11 OUTSTANDING REPORTS AND RESOLUTIONS AWAITING IMPLEMENTATION**

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### **Purpose:**

To provide Council with an update of requests for reports and previous resolutions to Council awaiting implementation.

### **Description of Item:**

As a process of ensuring that reports requested by Council are submitted and that resolutions are put into effect, Council has resolved that a report be submitted on the progress of each.

### **Sustainability Assessment:**

The sustainability issues will have been addressed in reports prior to resolution being adopted or will come forward in the reports yet to be submitted.

### **Consultation:**

To prepare this report the updated information is supplied by the Departments to the Executive Team prior to the submission of this report.

### **Related Policy and / or Precedents:**

Council has adopted this procedure to ensure public accountability.

### **Statutory Requirements:**

Reports to Council are provided for in the Local Government (Meetings) Regulations 1999 and Code of Meeting Practice.

### **Issues:**

Individual comment is made on the attached list of outstanding matters.

### **Implementation Date / Priority:**

Implementation and priority is dependent on a range of factors and circumstances.

### **Recommendation:**

**That the report be noted.**

Attachments:

## OUTSTANDING REPORTS

MEETING DATE:	REPORT REQUIRED ON	CURRENT POSITION	EXPECTED COMPLETION DATE
<b>CORPORATE BUSINESS</b>			
21/06/07	<p><b>Questions Without Notice No. 2 – Farm Machinery Heritage Museum</b></p> <p>Cr Palmer asked if a suitable site has been found for the proposed Farm Machine Heritage Museum.</p> <p><i>The General Manager indicated that a couple of options are currently being investigated, and discussions have been held with Glenreagh Mountain Railway and the Department of Lands to secure a site and obtain federal funding. A report will be brought back to Council.</i></p>	Currently investigating suitable sites, which will be done in conjunction with Clarence Valley Council for proposed site at Glenreagh.	Late 2008
15/11/07	<p><b>C80 Encroachments onto Laneway at Coramba - No 3</b></p> <p>That the report be deferred in order to clarify a legal issue relating to adverse possession, which may affect current consideration. The General Manager to provide a response following this investigation, to the next Council meeting.</p>	Pending legal advice.	April 2008
<b>CITY SERVICES</b>			
1/11/07	<p><b>S66 Botanic Gardens of Australia &amp; New Zealand – Third Annual Congress</b></p> <ol style="list-style-type: none"> <li>1. That Council acknowledge this report</li> <li>2. That a follow up report be written after six months outlining the progress made on the above matters.</li> </ol>	Report will be prepared - May 2008	May 2008

MEETING DATE:	REPORT REQUIRED ON	CURRENT POSITION	EXPECTED COMPLETION DATE
15/11/07	<p><b>General Business No. 4: Cultural Committees Review</b></p> <p>Cr Hogbin made note that the Bunker Cartoon Gallery Advisory Board is currently appointing new members and urged the General Manager to continue to progress the restructure of Cultural Committees.</p> <p><i>The Director of City Services advised that a further meeting will be scheduled with community representatives, prior to a report being brought back to Council.</i></p>	Council's Cultural Project Officer will meet with the CHATS theatre group for further discussion on this matter.	18 March 2008
21/02/08	<p><b>General Business No. 4: Cavanbah Hall</b></p> <p>Cr Rhoades requested consideration be given to an appropriate name for the new building scheduled to be constructed on the current Cavanbah Hall site, and a report be brought back to Council.</p>	Council's Community Services Manager will present a report titled Renaming of Cavanbah Hall.	April 2008

## **RESOLUTIONS OF COUNCIL AWAITING IMPLEMENTATION**

### **CORPORATE SERVICES COMMITTEE MEETING – 20 JULY 2006**

#### **QUESTIONS WITHOUT NOTICE No. 5 - Code of Meeting Practice**

Cr Hogbin requested that Council's Code of Meeting Practice be reviewed to ensure there is certainty in all steps of the Council meeting process.

*The General Manager agreed to review the Code of Meeting Practice against the regulation and provide an interpretation that can be used for future reference.*

The Mayor asked for the Code of Meeting Practice to be circulated to all Councillors and encouraged Councillors to assist in the review process by flagging all areas of the Code which they find confusing.

*Current Status: Draft Policy has been developed and will be the subject of a briefing with Council over the coming weeks.*

### **CORPORATE BUSINESS COMMITTEE MEETING – 18 OCTOBER 2006**

#### **GENERAL BUSINESS No 2 - No Fault, Catastrophic Injury Insurance Scheme**

Cr Smithers provided Council with details of a 'No Fault, Catastrophic Injury Insurance Scheme' currently being lobbied by Community Care organisations in the lead up to the Federal Election, and suggested Council support the concept as it could remove the need for individuals to sue Council following freak accidents which cause significant personal injury.

*The General Manager undertook to consider the proposal.*

*Current Status: The Scheme is currently being researched.*

#### **GENERAL BUSINESS No. 4 - Escalating Oil Prices**

Cr McKelvey raised concerns about the increasing cost of oil and potential impacts this will have on Council and the local economy.

*The General Manager to undertake a risk assessment of Coffs Harbour's vulnerability to rising world oil prices, to identify/prioritise delivery of services in the face of expected escalating costs and reduced income. This would act as a feasibility study and help provide alternatives to some practices, activities or uses.*

*Current Status: This matter is currently being researched.*

### **LAND USE, HEALTH & DEVELOPMENT COMMITTEE MEETING – 13 DECEMBER 2007**

#### **28 SISTER CITY/ COUNTRY COUNCIL RELATIONSHIPS WITHIN NSW**

Council proceed with the establishment of a Sister City/Country Council relationship with Kyogle Shire Council.

**CITY SERVICES COMMITTEE MEETING – 7 FEBRUARY 2008**

**GENERAL BUSINESS No. 3 – Footpath Adjacent Bridge Club**

Councillor Featherstone requested maintenance be carried out on the footpath that runs adjacent to the Bridge Club, from Albany Street up to the Bunker Cartoon Gallery, as some pavers are lifting.

*The General Manager advised that this would be attended to.*

*Current Status: Council's Parks Supervisor confirmed this maintenance work is scheduled for Wednesday 12 March 2008.*

**CORPORATE BUSINESS COMMITTEE MEETING – 21 FEBRUARY 2008**

**GENERAL BUSINESS No. 2 – Nana Glen Equestrian Centre**

Cr Rhoades asked if Council could help the Equestrian Centre at Nana Glen to replace essential infrastructure prior to the Police & Emergency Services Games in September, following damage due to recent flooding in the area.

*Current Status: Council staff are in close liaison with the committee of Nana Glen Sport Recreation & Equestrian Centre helping to identify exactly what needs to happen and then negotiating arrangements to assist for this action to take place. There is a working bee planned for the weekend of 15/16 March 2008 which should allow for a clear assessment of exactly what is required.*

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## **C12 BANK BALANCES AND INVESTMENTS FOR JANUARY 2008**

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### **Purpose:**

To list Council's Bank Balances and Investments as at 31 January 2008.

### **Description of Item:**

A copy of the state of Bank Balances and Investments as at 31 January 2008 is attached.

It should be noted that Council is now required to account for investments in accordance with the Australian International Financial Reporting Standards. As such the ledger balances at the end of each month reflect market value movements which would be inclusive of accrued interest.

Interest when paid, say quarterly, would result in reductions in the market value of the investments.

The Investment Report reflects the above requirements and reflects the interest earned (or accrued) on each investment, based on the acquisition price.

### **Sustainability Assessment:**

- **Environment**

There are no perceived current or future environmental impacts.

- **Social**

There are no perceived current or future social impacts.

- **Economic**

Council's investments are held according to the requirements stated within Council's investments policy and the returns are acceptable in relation thereto.

### **Recommendation:**

**That the bank balances and investments totalling two hundred and twenty one million, seven hundred and fifty nine thousand and ninety four dollars (\$221,759,094) as at 31 January 2008 be noted.**

D C Allen  
**Director Corporate Business (Acting)**

**Attachments:**

**BANK BALANCES AND INVESTMENTS AS AT 31/01/08  
COFFS HARBOUR CITY COUNCIL  
STATEMENT OF BANK BALANCES AS AT 31/01/08**

Fund/Account	Balance at 1/1/08	Receipts to 31/1/08	Payments to 31/1/08	Balance at 31/1/08
GENERAL FUND	2,858,638	31,974,846	23,572,910	11,260,374
TRUST FUNDS	1,494,435	5,034	0	1,499,468
<b>TOTAL OF ALL BANK ACCOUNTS</b>	<b>4,353,073</b>	<b>31,979,679</b>	<b>23,572,910</b>	<b>12,759,842</b>

**INVESTMENTS REPORT - 31/1/08  
1. PRINCIPAL BALANCES/INTEREST EARNED**

	Acquisition Price on Directly Traded Investments	Princ/Int Balance 1/1/08	Net Movements - January 2008	Princ/Int Balance 31/1/08	Income Earned Net of Fees - January 2008	Income Earned Financial Yr to Date	Unrealised Gains/Losses January 2008	Unrealised Gains/Losses Life to Date	Annualised Monthly Return (Managed Funds) / Current Coupon
	\$	\$	\$	\$	\$	\$	\$	\$	
<b>OVERNIGHT FUNDS:</b>									
<b>Cash</b>									
Westpac-O'night		4,353,073	8,406,769	12,759,842	37,649	354,943			6.64
ANZ High Yield		5,572	-4,255	1,317	-4,255	1,317			7.30
Commonwealth CDA	6,000,000	0	6,006,658	6,006,658	6,658	6,658			6.75
Macquarie CMT - Infrast*		130,907	-78,841	52,066	4,228	11,671			6.14
Macquarie CMT - Mandate*		369,541	-358,863	10,878	1,399	3,629			6.14
		4,859,093	13,971,668	18,830,760	45,678	378,218	0	0	
<b>BENCHMARK RATE - 11 AM INDICATIVE CASH RATE</b>									
									6.75
<b>OTHER FUNDS:</b>									
<b>Enhanced Cash Funds</b>									
Aberdeen (previously Deutsche)		2,584,400	-1,004,399	1,580,001	-4,399	93,388			-2.56
Grange		538,530	380	538,910	380	6,016			0.84
Perennial Cash Enh.		176	0	176	0	19,392			2.98
LGFS Fixed Out Performance		44,119,409	280,877	44,400,286	280,877	400,286			7.76
ING Enhanced		4,213,744	3,745	4,217,489	3,745	105,646			1.08
		51,456,259	-719,397	50,736,862	280,603	624,728	0	0	
<b>Enhanced Income Funds</b>									
Perpetual Credit Income		14,926,373	-1,051,591	13,874,782	-51,591	-652,820			-4.21
Macquarie Inc. Plus		19,555,276	128,575	19,683,851	128,575	502,262			8.15
		34,481,649	-923,016	33,558,633	76,984	-150,558	0	0	
<b>Capital Protected Wholesale Fund</b>									
Longreach PIU#		1,487,400	-111,300	1,376,100	-111,300	-179,661			2.00
		1,487,400	-111,300	1,376,100	-111,300	-179,661	0	0	
<b>BENCHMARK RATE - UBS BANK BILL INDEX</b>									
									7.26
<b>Term Deposits</b>									
Newcastle Permanent B.S.	1,000,000	1,058,178	5,818	1,063,996	0	0	5,818	63,996	6.85
Newcastle Permanent B.S.	1,500,000	1,503,630	9,376	1,513,006	9,376	13,006	0	0	7.36
Investec Bank	2,000,000	2,004,448	12,536	2,016,984	12,536	16,984	0	0	7.38
Investec Bank	4,000,000	4,008,011	24,834	4,032,845	24,834	32,845	0	0	7.31
IMB	1,500,000	1,503,336	9,402	1,512,738	9,402	12,738	0	0	7.38
Adelaide Bank	4,000,000	4,008,033	24,902	4,032,935	24,902	32,935	0	0	7.33
Police Credit Union SA	2,000,000	2,004,581	12,910	2,017,490	12,910	17,490	0	0	7.60
Heritage Building Society	1,000,000	1,002,194	6,183	1,008,377	6,183	8,377	0	0	7.28
Heritage Building Society	4,000,000	4,008,033	24,902	4,032,935	24,902	32,935	0	0	7.33
Elders Rural Bank	1,000,000	1,001,997	6,192	1,008,189	6,192	8,189	0	0	7.29
Elders Rural Bank	8,000,000	8,016,110	49,940	8,066,049	49,940	66,049	0	0	7.35
Elders Rural Bank	3,000,000	3,006,090	18,880	3,024,971	18,880	24,971	0	0	7.41
Macquarie Bank	17,400,000	17,435,753	110,836	17,546,589	110,836	146,589	0	0	7.50
Queensland Police CU	500,000	0	502,195	502,195	2,195	2,195	0	0	7.63
Commonwealth		5,183,707	0	5,183,707	0	183,936	0	0	6.95
		55,744,101	818,905	56,563,006	313,087	599,238	5,818	63,996	

**INVESTMENTS REPORT - 31/1/08**  
**1. PRINCIPAL BALANCES/INTEREST EARNED**

	Acquisition Price on Directly Traded Investments	Princ/Int Balance 1/1/08	Net Movements - January 2008	Princ/Int Balance 31/1/08	Income Earned Net of Fees - January 2008	Income Earned Financial Yr to Date	Unrealised Gains/Losses January 2008	Unrealised Gains/Losses Life to Date	Annualised Monthly Return (Managed Funds) / Current Coupon
	\$	\$	\$	\$	\$	\$	\$	\$	
<b>FRNs(Floating Rate Notes)</b>									
Wide Bay BS	513,692	498,707	196	498,903	0	21,137	196	-14,789	8.99
Queenslanders CU	503,170	483,187	-136	483,051	0	28,607	-136	-20,119	8.22
Adelaide Bank*		496,145	2,930	499,075	2,930	18,087			7.94
Mackay Permanent BS	500,000	495,115	-11,515	483,600	0	19,358	-11,515	-16,400	8.28
Commonwealth Bank	1,000,929	0	990,810	990,810	10,119	10,119			7.69
Elders Rural Bank 23/8/15*		492,225	-135	492,090	-135	3,638			8.00
Bendigo Bank 28/9/14*		500,200	2,985	503,185	2,985	16,825			8.10
Bank of QLD 5/6/13*		504,265	3,140	507,405	3,140	20,342			8.45
St George Bank 26/7/16*		494,445	-10,465	483,980	-987	3,815			7.61
HSBC 22/9/16*		1,061,060	-737	1,060,323	-737	-5,067			7.50
HSBC 19/5/16^		492,870	2,005	494,875	2,005	22,044			7.40
HSBC 22/9/16^		964,600	-670	963,930	-670	-4,806			7.50
Elders Rural Bank 23/3/15^		1,473,840	1,140	1,474,980	1,140	18,167			8.12
St George Bank 26/7/16^		1,483,335	-31,395	1,451,940	-2,960	11,444			7.61
Suncorp^		2,438,725	2,625	2,441,350	2,625	25,107			7.55
Bank of QLD 11/5/16^		497,290	2,030	499,320	2,030	20,930			7.54
Macquarie Bank 31/5/17^		482,450	-8,570	473,880	-8,570	-2,940			7.57
Bendigo Bank 15/7/14^		508,495	-7,000	501,495	2,843	16,971			8.04
Bendigo Bank 14/12/15^		2,480,875	13,750	2,494,625	13,750	69,694			8.00
Elders Rural Bank 8/6/16^		494,685	-13,615	481,070	-13,615	-3,635			7.92
Elders Rural Bank 13/10/15^		494,085	-9,560	484,535	1	2,185			7.89
Royal Bank of Scotland^		2,454,700	300	2,455,000	300	22,341			7.45
		19,291,309	928,113	20,219,422	16,194	334,565	-11,455	-51,308	
<b>Yield Curve Notes</b>									
Deutsche Bank CG#*		199,250	5,175	204,425	5,175	-39,359			0.00
		199,250	5,175	204,425	5,175	-39,359	0	0	
<b>CPPI Notes (Constant Portfolio Protection Insurance)</b>									
Longreach Series 14#	2,000,000	2,143,200	-380,000	1,763,200	0	70,304	-380,000	-236,800	4.25
Longreach Series 16#	1,000,000	1,091,340	-201,240	890,100	0	32,974	-201,240	-109,900	4.85
Longreach Series 17#	2,000,000	2,056,200	-304,000	1,752,200	0	50,104	-304,000	-247,800	4.01
Longreach Series 18#	1,000,000	1,065,300	-194,300	871,000	0	27,417	-194,300	-129,000	7.65
Longreach Series 21#	1,000,000	1,073,100	-63,700	1,009,400	0	32,500	-63,700	9,400	6.50
Longreach Series 23#	1,000,000	996,900	56,800	1,053,700	0	12,808	56,800	53,700	2.50
Longreach Series 24#	2,000,000	2,277,200	-165,600	2,111,600	0	65,000	-165,600	111,600	6.50
Longreach Series 25#	2,000,000	1,780,600	-258,600	1,522,000	0	70,000	-258,600	-478,000	7.00
Longreach Series 26#	1,000,000	882,800	-54,600	828,200	0	35,000	-54,600	-171,800	6.50
Longreach Series 32#	3,000,000	2,721,000	-305,700	2,415,300	0	-279,000	0	0	7.00
ABN AMRO Series VII#	500,000	400,300	-3,700	396,600	0	0	-3,700	-103,400	0.00
Averon#	1,500,000	1,340,777	-75,377	1,265,400	0	0	-75,377	-234,600	0.00
All Seasons#	1,000,000	980,300	-20,600	959,700	0	80,000	-20,600	-40,300	0.00
Credit Sail 2#	500,000	369,601	-63,494	306,107	0	20,378	-63,494	-193,893	8.80
Keolis#	1,000,000	922,000	-111,700	810,300	0	17,773	-111,700	-189,700	0.00
Orion Trust#	1,000,000	1,242,801	-166,520	1,076,281	43,530	83,268	-166,520	76,281	8.73
Phoenix Trust#	1,000,000	1,085,820	-116,013	969,807	0	32,890	-116,013	-30,193	7.43
Dandelion#	1,000,000	1,000,000	-160,400	839,600	-160,400	-160,400			0.00
ANZ Climate Change Trust	1,500,000	1,500,000	-75,210	1,424,790	-75,210	-75,210			7.96
Lehman#*		275,130	-1,830	273,300	-1,830	-35,010			0.00
Lehman#^		458,550	-3,050	455,500	-3,050	-58,350			0.00
		25,662,919	-2,668,834	22,994,085	-196,960	22,445	-2,122,644	-1,914,405	

**INVESTMENTS REPORT - 31/1/08**  
**1. PRINCIPAL BALANCES/INTEREST EARNED**

	Acquisition Price on Directly Traded Investments	Princ/Int Balance 1/1/08	Net Movements - January 2008	Princ/Int Balance 31/1/08	Income Earned Net of Fees - January 2008	Income Earned Financial Yr to Date	Unrealised Gains/Losses January 2008	Unrealised Gains/Losses Life to Date	Annualised Monthly Return (Managed Funds) / Current Coupon
	\$	\$	\$	\$	\$	\$	\$	\$	
<b>CCOs(Collateralised Commodity Obligations)</b>									
CARGO	982,450	983,732	-11,245	972,487	20,656	40,409	-11,245	-9,963	8.67
Kalgoorlie*		495,200	-7,650	487,550	-7,650	3,404			8.48
Kalgoorlie^		1,980,800	-30,600	1,950,200	-30,600	13,616			8.48
		3,459,732	-49,495	3,410,237	-17,594	57,428	-11,245	-9,963	
<b>CDOs(Collateralised Debt Obligations)</b>									
Longreach Series 1	1,000,000	882,000	-71,000	811,000	0	38,902	-71,000	-189,000	8.25
Castlereagh Notes	500,000	440,880	7,545	448,425	0	18,922	7,545	-51,575	8.13
Coolangatta *		346,495	-70,000	276,495	-70,000	-183,459			8.60
Esperance *		413,468	-63,424	350,043	-63,424	-124,322			8.40
Blue Gum*		291,042	-49,529	241,513	-49,529	-89,985			8.62
Scarborough*		468,498	-85,656	382,842	-85,656	-163,277			8.52
Flinders*		240,795	-18,759	222,036	-18,759	-56,314			8.80
Torquay*		376,480	-50,190	326,290	-50,190	-120,709			8.50
Parke*		159,325	-34,088	125,238	-34,088	-60,833			8.30
Kakadu*		290,700	-44,225	246,475	-44,225	-147,781			8.30
Henley*		404,470	-50,695	353,775	-50,695	-107,240			8.02
Miami*		30,418	-3,827	26,591	-3,827	-18,420			8.80
Beryl Global Bank 20/9/14^		540,048	-11,934	528,114	-795	-19,267			7.90
Coolangatta^		1,385,980	-280,000	1,105,980	-239,378	-693,213			8.60
Esperance^		397,565	-60,985	336,580	-51,079	-109,634			8.40
Scarborough^		1,093,162	-199,864	893,298	-171,341	-352,716			8.52
Flinders^		1,645,433	-128,187	1,517,246	-85,527	-343,700			8.80
Quartz^		418,375	-85,415	332,960	-75,010	-111,152			8.80
Green 2^		1,503,200	-220,700	1,282,500	-181,574	-493,937			8.30
Kakadu^		581,400	-88,450	492,950	-68,887	-275,998			8.30
Lawson^		437,985	-4,163	433,823	5,323	9,246			8.57
Miami^		30,418	-3,827	26,591	-2,786	-17,379			8.80
		12,378,135	-1,617,371	10,760,764	-1,341,446	-3,422,267	-63,455	-240,575	
<b>Fixed Coupon Bonds</b>									
Commonwealth Bank	1,015,860	0	1,013,000	1,013,000	-2,860	-2,860			6.50
		0	1,013,000	1,013,000	-2,860	-2,860	0	0	
<b>CPDOs(Constant Portfolio Debt Obligations)</b>									
Phoenix	2,000,000	2,110,000	-18,200	2,091,800	-18,200	155,909			9.39
		2,110,000	-18,200	2,091,800	-18,200	155,909	0	0	
<b>Securities No Longer Held (excluding Grove Managed Funds).</b>									
		18,293,469	-18,293,469	0	0	144,047			
<b>TOTALS</b>		<b>229,423,315</b>	<b>-7,664,221</b>	<b>221,759,094</b>	<b>-950,639</b>	<b>-1,478,127</b>	<b>-2,202,981</b>	<b>-2,152,255</b>	

NB.

# Capital Guaranteed

\* Grange Mandate IMP

^ Grange Infrastructure IMP

I hereby certify that Council's investments have been made in accordance with the Local Government Act 1993, Regulations and Council's Investment Policy.



Responsible Accounting Officer.

## CITY SERVICES DEPARTMENT REPORTS

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### S9 TENDERS: INTERNAL REPAINTING AND INTERNAL ALTERATIONS OF RED HILL NO. 2 BALANCE TANK (CONTRACT 07/08-339-TO)

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#### **Purpose:**

To report on tenders received for the internal repainting and internal alterations of Red Hill No. 2 Balance Tank and to gain Council approval to accept a tender.

#### **Description of Item:**

Red Hill No. 2 Balance Tank is a 17.3ML (million litre) steel tank 39.5m in diameter and 14.2m high. It was constructed and painted internally and externally in 1985. It has not been repainted since. A survey by divers in 2007 revealed that there are significant areas of corrosion within the tank; these have to be dealt with. Whilst the tank is drained the inlet, outlet and ladder access will be altered and upgraded; these costs are included in the tenders.

The balance tank currently receives water directly from Karangi Dam and distributes water to almost the entire municipality. It is important, therefore, to ensure that the tank is in the best possible condition prior to receiving water from the new water treatment plant that is due to come on line in August.

Tenders were called in local and capital city newspapers and closed on 26 February 2008. Due to the stringent, detailed and highly specialized requirements of the painting specification, tenderers were restricted to those qualified to Class 4 by the Painting Contractors' Certification Program. All tenderers possess this qualification.

Tenders were evaluated on the following criteria:

- Tender price
- Experience in similar work
- OH & S management systems and performance
- Construction period – as nominated by the tenderer

Three tenders were received. All were conforming offers.

- a) Geelong Abrasive Blasting Pty Ltd, Geelong, Victoria
- b) KGB Coatings – Site Services Pty Ltd, Newcastle
- c) Ray's Machinery Painting Pty Ltd trading as RMP Abrasive Blasting, Sydney

#### **Sustainability Assessment:**

- **Environment**

Abrasive blasting operations will generate significant amounts of dust. This will be controlled and collected using a 10,000 CFM (cubic feet/minute) dust collection unit within the reservoir. The compressor that services the dust collection unit will be located outside the tank. Additional screening of outlets will be used if required.

**S9 Tenders: Internal Repainting And Internal Alterations Of Red Hill No. 2 Balance Tank (Contract 07/08-339-To) ...(Cont'd)**

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The nearest house is 75m from the reservoir. The tank is sited in a 15m deep cutting that to a great extent screens it from neighbours. All equipment will comply with EPA and Council's noise emission guidelines. Nearby residents will be personally informed of Council's intentions at least a fortnight prior to work commencing. The compressor will operate at no more than 75 dB(A) and will be located on the south-east side of the tank which is farthest from the nearest residence. The equipment has often been used in high-density urban areas without complaint from the public.

The site will only be accessed via existing roads and equipment will be located on existing hardstand areas. Geofabric will be laid over stormwater drains and under plant and machinery.

Wastes generated during abrasive blasting operations will be non-toxic and disposed of in Council's landfill. Toxicity tests will be carried out prior to any material leaving site.

Used paint cans, brushes and rags will be treated as industrial waste.

Solvents used to clean equipment will be containerised and disposed of in a liquid waste facility.

- **Social**

The provision of potable water is of major importance to the community. The reservoir at Red Hill supplies water for almost the entire Coffs LGA. Maintaining it in good condition is therefore vital.

- **Economic**

**Broader Economic Implications**

There are no local companies capable of doing this work due to the very specialised nature of the paint systems. Approximately 200 nights accommodation and meals will be sourced locally.

**Management Plan Implications**

Adequate provision for this work has been made in Council's 2007/2008 Water Fund Budget – Operating Expenses Reservoirs.

**Consultation:**

No consultation has occurred with local residents though they will be personally informed of the works at least a fortnight before work commences. Given the type of equipment to be used and the nature of the work, no inconvenience is likely to occur to nearby properties.

**Related Policy and / or Precedents:**

Tender procedures and analysis were carried out in accordance with Council policy, in particular the 'Tender Value Selection System'

## **S9 Tenders: Internal Repainting And Internal Alterations Of Red Hill No. 2 Balance Tank (Contract 07/08-339-To) ...(Cont'd)**

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### **Statutory Requirements:**

The tender process was carried out in accordance with Part 7 of the Local Government (General) Regulations 2005

### **Issues:**

There is a very slight possibility that having Red Hill No2 Balance Tank off-line for 8 weeks will result in supply difficulties to other reservoirs that are supplied from it. Macauley's, Roberts Hill and Toormina reservoirs are the ones most likely to be adversely affected. Water balance and flow tests have commenced to determine the consequences of the 8-week outage but for operational reasons part of the testing cannot be commenced until late March and be completed in early April.

Reasons for seeking Council's approval at this time, rather than waiting until the test results are known, are:

- For climatic reasons, painting must be complete by the end of May.
- The first meeting to which this report could be sent if the test results are waited for would be 1<sup>st</sup> May 2008. This is far too late for painting to be done this financial year.

The recommended tenderer has agreed, in writing, that in the event that a contract is let but that the work (including site mobilisation) cannot proceed and has to be cancelled due to the results of the tests then no claim of any nature will be made against Council.

He has further agreed, again in writing, that if the commencement date were to be postponed by more than 90 working days from the date tenders closed (26 February 2008) then the contractor will be entitled to escalation in line with the Consumer Price Index from the tender closing date.

### **Implementation Date / Priority:**

A contract can be awarded upon Council's resolution to accept a tender. Completion time for the contract is 8 weeks with a forecast completion date of late May 2008.

### **Recommendation:**

**That Council considers tenders received for the Internal Repainting and Internal Alterations of Red Hill No. 2 Balance Tank, Contract No. 07/08-339-TO, and move the motion as detailed in the confidential attachment.**

J R Gordon  
**Director City Services**