



**COFFS HARBOUR CITY COUNCIL**  
**ORDINARY MEETING**  
**COUNCIL CHAMBERS**  
**COUNCIL ADMINISTRATION BUILDING**  
**COFF AND CASTLE STREETS, COFFS HARBOUR**  
**9 JUNE 2011**

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<b>CONFIDENTIAL ITEMS</b>		
A portion of the following 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.		
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## COFFS HARBOUR CITY COUNCIL

### ORDINARY MEETING

9 JUNE 2011

Mayor and Councillors

#### CITY SERVICES DEPARTMENT REPORT

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#### CS11/24 BEACON HILL

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##### **Purpose:**

Responding to Matter of an Urgent Nature 11/9 raised at Council meeting held on 26 May 2011.

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

MUN11/9 BEACON HILL

*Councillor Graham raised the following issues in relation to Beacon Hill:*

- 1. Is Council applying to clear approximately 3,000 m<sup>2</sup> of the critically endangered ecological community littoral rainforest at Beacon Hill.*
- 2. Has Council investigated the comparative cost of installing a video camera for the volunteer coastal patrol as opposed to the considerable capital cost of clearing native vegetation.*
- 3. If not, can Council please investigate the cost of installing a video camera and compare it to the cost of clearing and chipping littoral rainforest.*

##### **Background**

Beacon Hill Reserve comprises a total area of 8.3 hectares overlooking the Coffs Harbour coast line, jetty and the Coffs Harbour Regional Airport (CHRA). 6.7ha of the Reserve comprises Littoral Rainforest, 1.3ha Swamp Sclerophyll, with the remaining 3ha maintained as a grassed area.

Coffs Harbour City Council is responsible for the care, control and management of the Reserve as Corporate Manager of the Beacon Hill Reserve Trust (1998). Beacon Hill is a prominent landform and a popular lookout from the viewing platform and car park area above the Marine Rescue. The lookout forms a key part of the tourism promotion and destination marketing activity for Coffs Harbour.

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### **Site Context**

Private landowners border the Reserve on the northern boundary (Edinburgh and Victoria Streets) while the North Coast Railway defines the eastern boundary with Howard Street to the south. Crown land lies to the east of the railway line and Howard Street and the CHCC Sewer Treatment Plant lies to the south and south east respectively. Marine Rescue NSW Headquarters (formerly Coastal Patrol) is located within the Reserve in the north east. The Coffs Harbour Regional Airport is situated to the south.

### **Beacon Hill Plan of Management**

The Reserve is zoned 6(a) Open Space under the Coffs Harbour Local Environment Plan (LEP). A Plan of Management (PoM) for the Beacon Hill Reserve was adopted in August, 2000 by CHCC. The PoM states the vision of the Reserve Trust is to 'conserve and enhance the Reserve's scenic values, natural environment and recreation opportunities for residents and visitors while providing for coastal watch and other essential services'. The PoM identifies three distinct management units based on site characteristics, use and management:

1. Recreation and Lookout
2. Marine Search and Rescue Centre
3. Recreation and Conservation

Units 1 and 3 identify vegetation modification to meet Airport requirements; however this is not quantified.

### **Current Management Issues**

Management issues to date concerning modification to the Reserve's vegetation include:

- Rural Fire Service Asset Protection Zones (in the north west section)
- Marine Rescue view shed to the harbour mouth and boat ramp – technology is being considered for the long term viability of the service ie. CCTV
- Coffs Harbour Regional Airport (CHRA) – Obstacle Limitation Surfaces (OLS)
- Scenic view maintenance to the Boambee Beach shoreline south and the Airport runway

### **Coffs Harbour Regional Airport**

Civil Aviation Safety Authority (CASA) undertakes annual inspections of the airport and make recommendations on the maintenance of the OLS. Vegetation height modification is subsequently undertaken to meet the CASA requirement. To date works on the OLS have been undertaken along the north western edge of the reserve only. However, the OLS extends for an equal distance to the east, where the gradient is slightly lower and the vegetation less mature. The recommended height reductions are set to 5m below the height of the beacon at 60.80m (66.38AHD). Current tree heights have been measured from between 60 to 63.3m AHD. Height modification has been undertaken from the aerial shed to the western end of the Reserve. There has been an increase in the quantity of vegetation requiring height modification, especially in the last 2 years. Annual assessment of OLS incursion and vegetation modification required is considered to be unsustainable in terms of cost and detrimental impact on the vegetation communities.

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### **Improving Views from the Lookout**

Coffs Harbour City Council has received requests to re-instate the views at the car park similar to those of the early 1990's. This view shed is located in the eastern portion of the OLS. While the vegetation height of this section of the Reserve is not currently within the required height modification area, over time this section will also require airport maintenance works. Consideration in relation to the management of vegetation needs to address the potential impacts associated with these ongoing maintenance works.

### **Marine Rescue**

Similar on-going vegetation management issues relate to maintaining the required views from the Marine Rescue facility. Cost of vegetation management on a difficult site and long term impacts on the viability of vegetation communities result in alternative measures which ensure long term effectiveness of the Marine Rescue facility worth consideration. Installation of CCTV cameras to enhance surveillance from the Marine Rescue facility is being investigated. Preliminary cost estimates indicate an initial capital outlay of \$20,000 would be required to ensure views to the Harbour mouth and boat ramp.

### **Current Vegetation Management Proposal**

To meet the medium to long term requirements of CASA and airport safety regulations, options are being considered to modify the Beacon Hill OLS impacted vegetation in a manner which is environmentally sustainable. These works will require modification to an area of vegetation approximately 5600m<sup>2</sup>.

### **Management Options**

Three options have been considered to implement this work:

**Option 1:** Lop the vegetation from the northern edge to an approximate distance of 20m south for an approximate length of 230m. Lopping height would be approximately 5m above ground level. Due to the steep nature of the site it is not possible to access the trees with a cherry picker, nor are the trees of adequate size to support a climber in the canopy. Therefore the 5m height represents the extent of a pole saw as being the maximum height achievable. This height potentially would be markedly less and indeed variable, as one moves down slope. (Slope degree ranges from 16° to 21°). This approach is already adopted by the Airport for maintenance of the western OLS area within the first 15m from the edge of vegetation.

The implications associated with this 'maintenance' regime are that repeated lopping works will result in epicormic growth which will lead to the rapid re-shooting of weaker limbs, disturbance resulting from machinery access of the understorey and ground cover and the associated escalating annual costs. This work also leaves exposed pockets along the edge, encouraging weed incursion.

**Option 2:** Remove trees from the northern vegetation edge to a variable distance of approximately 10 - 15m south for a total length of 230m (an area of approximately 3000m<sup>2</sup>) covering the entire length of the OLS that will also accommodate the view shed. This option would be undertaken as a staged approach.

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Stage 1 - will address the immediate CASA requirements with a total removal of vegetation from the edge to 10 - 15m south. This work will be undertaken with a forest mulcher, with a set cutting height to ensure no direct contact is made with the topsoil layer. Establish a 10m strip of grass area to be maintained by slashing. Re-vegetate a 5m wide strip from new vegetation line with low growing native species and maintain with bush regeneration techniques for weed removal and targeting natural regeneration of trees species such as Brush Box, Turpentine and Banksia.

Stage 2 - will actively manage the 15m south of the newly defined tree line (revegetation area), introducing mid storey canopy and lower growing native shrubs to replace selectively modified or removed individual trees emerging into the OLS zone.

**Option 3:** Do nothing. This option does not accommodate the required OLS maintenance, nor does it address the provision of visual amenity as identified in the Plan of Management.

### **Environmental considerations**

#### **Flora**

Eco Logical Australia (Eco Logical) was engaged to undertake an ecological assessment of the Reserve in January, 2010. Eco Logical recorded 168 plant species, of which 33 (approximately 20%) were introduced species. The Reserve is considered of State significance under the Biodiversity Conservation Lands (Department of Planning) and of 'very high' significance under the Vegetation Eco Logical Status mapping of 2006.

#### **Threatened Flora**

A population consisting of between 20 and 30 stems of the NSW 'Endangered' species Scented Acronychia, *Acronychia littoralis* is located approximately 60m south east of the radio beacon installation and approximately 50m south of the edge of the car park.

A population of a *Typhonium* species is known to occur in the eastern part of the Reserve between the Marine Rescue building and the walking track; however it was not sighted during the ecological assessment. This population was originally thought to be the NSW 'Endangered' species *Typhonium sp. aff. brownie* but is now believed to be the more widespread and common species *Typhonium brownie*. It is still considered to be biogeographically significant. This area is outside of the study area.

#### **Endangered Ecological Communities**

Two endangered ecological communities were identified in the Reserve. The first, 'Tuckeroo Littoral Rainforests – Headland Brush Box' and 'Tuckeroo Littoral Rainforests – Brush Box – Bloodwood – Ironbark Open Forest, being examples of the NSW EEC *Littoral Rainforest in the NSW North Coast, Sydney Basin and South East Corner Bioregions*. This vegetation is consistent with Sub alliance 18 (Floyd, 1990) which is included as part of the Littoral Rainforest EEC.

The second EEC – *Swamp sclerophyll forest on coastal floodplains of the NSW North Coast, Sydney Basin and South East corner bioregions* is also present in the southern portion of the Reserve. This area is outside of the study area.

#### **EPBC listed Threatened Ecological Community**

The Littoral Rainforest EEC identified above is also an example of the Threatened Ecological Community *Littoral Rainforest and Coastal Vine Thickets of Eastern Australia* which is listed under the EPBC Act as 'Critically Endangered'.

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**Fauna**

As part of the ecological assessment, Eco Logical undertook a fauna habitat assessment, identifying features including: primary koala habitat and food tree species, seasonal nectar resources, a variety of soft fruited rainforest species, scattered small ground logs and scattered trees with discernible cracks and small to medium hollows. A comprehensive fauna study has not been conducted due to the cryptic and/or seasonally inactive and/or wide ranging and mobile nature of many species. However the habitat assessment provides evidence for likely/potential fauna occupation or visitation such as a range of nocturnal and diurnal birds, migratory birds, koala, microbats and terrestrial mammals listed under the TSC Act and the EPBC Act.

**Current Status**

The information provided in this report has been taken from a Review of Environmental Factors (REF) prepared for the proposed Airport OLS vegetation management works. The REF has been referred to the former DECCW for comment only as Council would be the determining authority for the proposed work. The proposal will also need to be assessed under the Federal Environment Protection and Biodiversity Conservation Act. An application to the Federal Department of Sustainability, Environment, Water, Population and communities for the proposal is being prepared.

The proposal has also been submitted to Department of Lands for approval.

The proposal has not been approved by Coffs Harbour Airport and cost/benefit analysis of the proposal compared to current OLS vegetation management practice have not been undertaken. Until all approvals have been gained and funding sources for the proposed works identified, the Vegetation Management Plan will not be implemented.

Investigation into funding sources for CCTV cameras to resolve view issues from the Beacon Hill Marine Rescue facility are on-going.

**Recommendation:**

**That the report be noted.**

**Ben Lawson  
Director  
City Services**

## CORPORATE BUSINESS DEPARTMENT REPORTS

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### CB11/30 MONTHLY BUDGET REVIEW FOR APRIL 2011

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#### Purpose:

To report on the estimated budget position as at 30 April 2011.

#### Description of Item:

Estimated Budget Position as at 30 April 2011:

	<b>General Account \$</b>	<b>Water Account \$</b>	<b>Sewer Account \$</b>
Original Budget adopted 30 June 2010	667,506 (D)	5,257,469 (D)	4,124,558 (D)
Approved Variations to 31 March 2011	(230,389) (S)	376,859 (D)	(1,434,577) (S)
Recommended variations for April 2011	(301,451) (S)	Nil	Nil
Estimated result 2010/11 as at 30 April 2011	<u>135,666 (D)</u>	<u>5,634,328 (D)</u>	<u>2,689,981 (D)</u>

#### General Account

#### Deficit/(Surplus)

Revised general rates expected income	22,729 (D)
Revised extra charges expected income	(32,965) (S)
Revision of Executive staff costs	(21,800) (S)
Revision of Media Officer and Web Content staff costs	8,000 (D)
Revision of sundry governance and office expenses	(25,000) (S)
Service level review expected costs (see detail in consultation section below)	25,000 (D)
Revision of Corporate Governance staff costs due to Departmental Administrator position savings	(55,800) (S)
Revision of Governance and legal staff costs due to Manager position savings	(27,900) (S)
StateCover scheme performance rebate income previously unbudgeted	(82,115) (S)
Performance rebate security upgrade works at various location across LGA including Toormina Library, Council Chambers and CHISS	25,000 (D)
Revision of Information Services staff costs due to long term vacancies in records and GIS positions	(173,500) (S)
Revision of asset management system expenses	18,500 (D)
Revision of copying and enquiry fees income	15,000 (D)
Development Application (DA) scanning and digitising (see detail in consultation section below)	100,000 (D)
Revision of Finance staff costs	(51,000) (S)
Revision of telephone charges	15,000 (D)
Revised Section 603 certificates expected income	18,000 (D)
Purchase of grants software to enable tracking and updating of those grant application council submits to various bodies annually	18,000 (D)

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## CB11/30 Monthly Budget Review for April 2011 ...(Cont'd)

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Revision of stores and purchasing staff costs due to long term vacancy prior to possible restructure	(43,400) (S)
Revision of Human resources staff costs	(35,800) (S)
Health and Wellbeing Program funding shortfall	5,800 (D)
Foreshore Design (see detail in consultation section below)	50,000 (D)
CBD Commercial Study (see detail in consultation section below)	30,000 (D)
CBD Masterplan (see detail in consultation section below)	80,000 (D)
Revision of land use planning staff costs	(76,900) (S)
Revision of land use assessment and management staff costs	(137,300) (S)
ePlanning project costs (see detail in consultation section below)	10,000 (D)
Coffs Harbour Business Centres Hierarchy (see detail in consultation section below)	40,000 (D)
North Boambee Valley release area (see detail in consultation section below) including \$100,000 contribution from landowners	210,000 (D)
Contribution from landowners - North Boambee Valley release area	(100,000) (S)
Revision of public health and safety staff costs due to extended leave taken without backfilling of position	(68,700) (S)
Revision of ranger services staff costs	(27,200) (S)
Revision of city services support staff costs due to secondment of staff without backfilling of position	(55,600) (S)
Bring asset management review costs into line with actual (funded from Business Development reserve – per policy)	32,494 (D)
Business Development reserve funding of asset management review	(32,494) (S)
Revision of library staff costs	(59,900) (S)
Bring jetty theatre net operating budgeted costs into line with actual (see detail in consultation section below)	100,000 (D)
Revision of Economic Development Unit (EDU) staff costs due to extended leave taken without backfilling of position	(54,200) (S)
Requested EDU urgent projects requiring funding (see detail in consultation section below)	50,000 (D)
Funding budget shortfall within recreational services program to meet current service levels. (see detail in consultation section below)	140,000 (D)
Reallocation of roads maintenance budgets: (see detail in consultation section below)	
- Dust Sealing	(150,000) (S)
- Sealed Roads Reseals Flush Seals	(150,000) (S)
- Urban Roads Maintenance	300,000 (D)
Revision of street lighting operating costs	(90,000) (S)
Revision of contracts and subdivisions staff costs	(21,400) (S)
Revision of anticipated project supervision income	8,000 (D)
Revision of various other staff costs across council that appear likely to have minor budget surpluses at year end	(50,000) (S)

**Total** **(301,451) (S)**

### Water Account

**Total** **Nil**

### Sewer Account

**Total** **Nil**  
**Cont'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.

- **Civic Leadership**

Council strives to reach a balanced budget position by June 30 each year in conjunction with meeting its short term priorities.

- **Economic**

**Delivery Program/Operational Plan Implications**

The Original budget for the General Account adopted on the 24 June 2010 provided for a deficit of \$667,506.

For substantial budget adjustments the associated council reports have addressed the triple bottom line factors independently in 2010/11.

**Consultation:**

Managers and their relevant staff have been provided with electronic budget reports for each program on a monthly basis. Requested variations and variations adopted by Council have been included in the report. In addition, the Corporate Development Team examined a number of areas where budgets had substantial variations and agreed to amend appropriately. In conjunction with this several important strategic projects were approved whilst substantially reducing the projected deficit by over \$300,000 back to \$135,666. The following detail has been provided in relation to the new major projects being requested as part of this budget review:

- Service Level Review \$25,000 - while the service review process will basically be managed by internal project teams, there will be a need to utilise consultants for some aspects of the work (e.g. training / facilitation). There will also be a need to supplement some resources that are focused on the review project.
- DA Scanning and Digitising \$100,000 – The project consists of procuring scanners and salary costs to scan Development Applications that are current only held in hard copy. This will assist with access to information and also assist with disaster recovery as the information will now be electronic.
- Foreshore Design \$50,000 - The Coffs Harbour Foreshores design project will progress planning for the City's waterside areas. This project links to previous planning projects in the Coffs Harbour Foreshores area, and builds appreciatively on the design concepts, community feedback and planning guidelines already developed.

**Cont'd**

The aim of the project is to tap into the potential of the Harbour to create a sustainable social, environmental and economic hub that will cater for the future needs of the city by engaging the community in the design process.

- CBD Commercial Study \$30,000 - This would give Council the following information:
  - An overview of processes to ensure probity is maintained
  - potential land uses and sources of income for council lands
  - community and stakeholder requirements
  - alternate development scenarios
  - broad financial modelling to optimise council's position
  - strategies for engagement with the various stakeholders
- The Commercial Brief would outline the steps to be taken following development of the Master Plan, being:
  - engagement with the various parties
  - negotiation and contracting options
  - outline structure of any joint ventures
  - broad financial and cash flow modelling
  - cost, budget and construction outlines
  - necessary council approval processes and where necessary DLG concurrence.
- CBD Masterplan \$ 80,000 - Given the increased level of interest by developers and investors in the CBD, State government office consolidation strategy and the adoption of the DCP, it would be appropriate for Council to proceed in two parallel paths as follows:
  - Coordinate the development of a Master Plan for the CBD, comprising approximately six (6) city blocks incorporating the Council properties, Uniting Church land, Palms Centre and Coffs Ex-Services Club.
  - The project would develop a brief and coordinate submissions from minimum three (3) master plan consultants, assess and make recommendation to senior staff for appointment, and then manage the Master Plan development on behalf of Council.
- ePlanning \$10,000 - this expenditure is to enable the information contained within the City Centre LEP and DCP to be digitised into an appropriate web-based electronic platform. This will ultimately enable staff and customers/ratepayers/developers to identify what land uses and planning controls are specific to any given site in the City Centre area. This is consistent with the ongoing rollout of ePlanning services for the city.
- Review of Coffs Harbour Business Centres Hierarchy \$40,000 - this item is in accordance with Council resolution L11/10 per meeting of 12 May 2011.
- North Boambee Valley Investigation Area \$210,000 - this expenditure is to commence the detailed planning investigations for the North Boambee Valley. This area was identified as a short term priority in Council's adopted Local Growth Management Strategy (Our Living City) 2008. It should be noted that private landholders have written to Council offering to co-fund the relevant studies up to \$100,000, it is recommended this offer be accepted.

**Cont'd**

- Jetty Theatre Operating Costs \$100,000 – These has been significant growth in audience, productions and events numbers with an increase in use by local theatre companies. A liquor licence has been gained for the venue and the development of an outdoor area constructed to supplement the foyer space. There has also been continued growth in the Youth Theatre Program. There continues to be an ongoing issue regarding balancing Council's community services and the capacity to generate income to offset the operating costs. The following steps have been taken to reduce net operating costs:
  - Rationalisation of use of paid staff for productions.
  - Controls on expenditures for touring productions (during 2010/2011 there continues to be some productions which were booked prior to these controls being in place, however, Council is committed to those).
  - Clear identification of all non discretionary expenditure, which includes staffing, maintenance, insurances, electricity etc which account for approximately \$235,000, which is 56% of the operating expenses.
  - A full review of fees and charges which have been rationalised and increased where possible.
  - The introduction of the liquor licence, which has seen an increase in profits from \$150 on average per performance to \$450 per performance with this income source growing
  - A significant increase in venue hire and an increase in the variety of uses.

The cost of electricity continues to be an area of concern with current costs almost double that of the same period last year. This is likely to see the cost of electricity for the facility being in the vicinity of \$20,000 per annum.

- Economic Development Unit Projects:
  - a) Digital Economic and Community Strategic Plan \$25,000 – with Dr Tim Williams. How the City can benefit from the NBN roll out and the digital, economic and social benefits it brings.
  - b) Enterprise development Training and community forum \$15,000 – with Dr Ernesto Sirolli. Training EDU and COLAB partners in enterprise facilitation to encourage new businesses and grow existing ones. Also inform and excite council and community leaders in the benefits of Enterprise facilitation.
  - c) Coffs Harbour Wireless Testing - Tim Simon Broadband Today Alliance \$10,000 - testing to see where the Telcos are not meeting community / business needs and then putting a case to them to upgrade their services to Coffs Harbour
- Recreational Services – Has struggled to operate with basic levels of service without CPI increases to the budget over the last four years. The main areas in most need of funding are general, regional and state parks maintenance along with street tree maintenance. These areas received an unprecedented number of complaints from the public. The entire city image suffers if these basic service levels are not provided in a timely manner.

**Cont'd**

- Reallocation of roads maintenance budgets – Due to increase in costs of wages, materials and plant, maintenance expenditure on the road network has increased. The level of service provided has actually dropped in the last three years as the maintenance budgets have remained static. The wet weather experienced from November 2010 to April 2011 caused many urban rural roads to deteriorate rapidly and in some instances pot holes and pavement damage caused unsafe situations that had to be rectified quickly. An inspection of the road network has identified that a significant amount of high priority patching is necessary on the main distributor and collector roads and cannot be left until next financial year.

Contributing to the deterioration of the road network is the damage caused by garbage trucks along the face of the gutters in the urban areas. Some locations require immediate works that were not foreseen as the recent wet weather has exacerbated the problem. Normal roads maintenance votes cover programmed patching but cannot account for these additional high priority works. Currently there is 18.1kms of pavement that is in very poor condition or unserviceable.

As the general condition of the network slides, maintenance costs increase as more resources are required to hold the network. The reallocation of funds is moving resources to the maintenance area where the highest return can be achieved. It is pointless constructing new sealed roads such as dust sealing if the allocated budgets are not sufficient to maintain the existing sealed road network.

**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:**

**That the budget adjustments be approved and the current budget position be noted.**

**Estimated Budget Position as at 30 April 2011:**

	<b>General Account \$</b>	<b>Water Account \$</b>	<b>Sewer Account \$</b>
<b>Original Budget adopted 30 June 2010</b>	667,506 (D)	5,257,469 (D)	4,124,558 (D)
<b>Approved Variations to 31 March 2011</b>	(230,389) (S)	376,859 (D)	(1,434,577) (S)
<b>Recommended variations for April 2011</b>	(301,451) (S)	(xx) (S)	(xx) (S)
<b>Estimated result 2010/11 as at 30 April 2011</b>	<u>135,666 (D)</u>	<u>5,634,328 (D)</u>	<u>2,689,981 (D)</u>

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**CB11/31 LEASE RENEWAL - COFFS HARBOUR RUGBY LEAGUE FOOTBALL CLUB LTD - EXECUTION UNDER COMMON SEAL OF COUNCIL**

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**Purpose:**

Seeking authority for execution of Lease documents, related to the renewal of lease between Council and Coffs Harbour Rugby League Football Club Ltd, under the Common Seal of Council.

**Description of Item:**

Council presently leases Lot 110 DP 790562 (Advocate Park) situated at Stadium Drive, Coffs Harbour to the Coffs Harbour Rugby League Football Club Ltd.

This lease has recently been renewed under the option provisions contained in the agreement. The new lease agreement commenced on 1 January 2010 for a term of ten (10) years, with an option to renew for a further ten (10) year period.

General ongoing operational management of Council's leasing and property management portfolio in accordance with the provisions of the appropriate relevant Acts has been in place in accordance with Council's resolution of 28 October 1999 and Council's adopted Policies.

The lease renewal process has progressed in accordance with the above practice.

The Local Government (General) Regulation 404 (4) states that:

*"The seal of a council must not be affixed to a document unless the document relates to the business of the council and council has resolved (by resolution specifically referring to the document) that the seal be so affixed."*

Therefore, it is necessary to obtain specific authority from Council for the execution under Council's seal of this lease renewal to the Coffs Harbour Rugby League Football Club Ltd.

**Sustainability Assessment:**

No change as this is an existing lease arrangement.

**Consultation:**

Lease renewal under option provisions, with variation at Lessee's request for addition of a further ten (10) year option.

**Related Policy and / or Precedents:**

In line with general leasing practices; particularly involving leases concerning non-profit locally based community organizations.

**Statutory Requirements:**

As indicated above, Regulation 400(4) Local Government (General) Regulation 2005 applies.

**Cont'd**

**CB11/31 Lease Renewal - Coffs Harbour Rugby League Football Club Ltd - Execution Under Common Seal of Council ...(Cont'd)**

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**Issues:**

There are no issues as the purpose of the report is to obtain Council consent to sign the lease under seal.

**Implementation Date / Priority:**

The lease document will be executed under Council's seal following authority being granted by Council.

**Recommendation:**

**That the lease renewal in respect of the leasing of Lot 110 DP 790562 Stadium Drive Coffs Harbour to Coffs Harbour Rugby League Football Club Limited be executed under the Common Seal of Council.**

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**CB11/32 ASSIGNMENT OF THE PALM CENTRE AIR BRIDGE LEASE**

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**Purpose:**

To obtain Council consent to execute documents under seal relating to the Assignment and Variation of the Palm Centre Air Bridge Lease.

**Description of Item:**

The Palm Centre is in the process of being sold. The current owner of the Centre is also the holder of a lease from Council over the air bridge which links the Palm Centre to the Castle Street Car Park. They have approached Council about the assignment of the existing lease and consent to sub-lease. The lease runs until 9 November 2026 and has an option for 40 years.

The potential purchaser (who wishes to remain anonymous due to commercial reasons at this point in time) has also requested a variation to the lease that clarifies the access rights between the air bridge and car park. This amendment is considered reasonable and merely crystallises the existing position of the parties.

**Sustainability Assessment:**

As this is the assignment of an existing lease, there is nothing to report under this heading.

**Consultation:**

Council has been, and will be, working with its Solicitors to finalise the matter.

**Related Policy and / or Precedents:**

The assignment and variation are standard commercial practice. Council has previously assigned and amended the lease and sub-lease when the Palm Centre has been sold.

**Statutory Requirements:**

Regulation 400(4) Local Government (General) Regulation 2005 requires a specific Council resolution to affix the Common Seal of Council.

**Issues:**

Council needs to be satisfied that the assignment is to a company that can fulfill the lease conditions. In this case the company involved is a well respected owner of several regional shopping centres.

All costs in relation to the matter will be paid for by the parties to the transaction.

The potential incoming owner of the Palm Centre has also expressed an interest in managing the Council car park. This is subject to ongoing negotiation and will be the subject of a separate report to Council in the future if required.

**Implementation Date / Priority:**

The matter will be dealt with in accordance with the timeline of the sales transaction.

**Cont'd**

**Recommendation:**

**That Council move the motion as detailed in the confidential attachment.**

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**CB11/33 TENDER: SUPPLY AND DELIVERY OF INDUSTRIAL HARDWARE AND ASSOCIATED PRODUCTS**

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**Purpose:**

To report on the tenders received by Regional Procurement Initiative (division of Hunter Council Incorporated) on behalf of the Mid North Coast Procurement Alliance Group of Councils for the Supply and Delivery of Industrial Hardware and Associated Products and to gain Council approval.

**Description of Item:**

Coffs Harbour City Council is a financial and Associate Member of the Regional Procurement Initiative for the Mid North Coast Procurement Alliance Group of Councils.

Regional Procurement Initiative on behalf of the Mid North Coast Procurement Alliance Group of Councils called tenders for the Supply and Delivery of Industrial Hardware and Associated Products, Tender No T11112MNC that closed on Tuesday, 3 May 2011.

The Panel Source tender consists of seven (7) Categories:

1. General Hardware, Drill Bits, Abrasives & Packaging
2. Cleaning and Janitorial
3. Fasteners
4. Electrical Products
5. Hand Tools
6. Power Tools
7. Safety and Footwear

Tenders were evaluated on the following criteria:

- Tender Price
- Referees
- OHS&R
- Ecologically Sustainable Development (ESD)
- Customer Service
- Quality Assurance

Tenders were received from the following Companies:

1. J Blackwood & Son Pty Ltd
2. Corporate Express Australia Pty Ltd
3. Protector Alsafe

**Conforming Tenders**

Only two (2) of the above companies were conforming to tender document requirements.

**Cont'd**

**Sustainability Assessment:**

- **Environment**

On behalf of the Mid North Coast Procurement Alliance Group of Councils Regional Procurement Initiative have addressed major environmental issues in the form of a compulsory questionnaire in the Tender Schedules as follows:

- Do the Companies have an environmental policy?
- Is there an identified Manager responsible for ensuring that Ecological Sustainable Development principles are implemented and maintained?
- Is the organisation able to provide documented evidence that the environmental impacts of each of the activities, services or products that it offers have been considered?
- Has the organisation ever been prosecuted for environmental offences?

As per Regional Procurements Tender documents the successful tenderer must comply with the *Protection of the Environment Operations Act, 1997* at all times with respect to pollution from noise, air, water, land and waste sources.

- **Social**

Council has considered all social implications involved in this contract, particularly in respect of the Supply and Delivery of Industrial Hardware and Associated Products. The panel of three recommended Companies all either employs staff directly or indirectly through their local distributors. The delivery of goods will in no way have an impact on the community or general public as the items will be delivered direct into the Marcia Street Depot.

- **Civic Leadership**

This tender in no way has an impact in terms of the Coffs Harbour 2030 Community Strategic Plan. This tender though does show Council's leadership within the community by promoting our own procurement policy guidelines and preferring to deal only with registered companies.

Coffs Harbour City Council operates a diversified procurement system and has set the standards for minimising the risks to the expenditure of public funds by not dealing with unincorporated entities that often are non-compliant in respect of Public Liability, Personal Sickness and Workers Compensation Insurances.

- **Economic**

**Broader Economic Implications**

There are no great economic impacts in the awarding of this tender. Two of the recommended tenderers are local companies or indirectly allow local distributors to service this contract. These companies employ numerous staff, which in turn feeds our local economy.

**Cont'd**

**CB11/33 Tender: Supply and Delivery of Industrial Hardware and Associated Products  
...(Cont'd)**

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**Delivery Program/Operational Plan Implications**

Expenditure is allocated on a need only basis for hardware and miscellaneous items, where a Purchase Order is raised for the goods. Alternatively the major Council users of this contract that of City Services Works and Recreational service sections requisition items as required from our stores in Marcia St Depot.

**Consultation:**

Apart from a discussion with Council's stores staff to advise of the recommended outcome and the relativity to stores products, no consultation was considered necessary. The three tenderers are all proven suppliers of a myriad of hardware and miscellaneous products to Council and their customer service history has been exemplary.

**Related Policy and / or Precedents:**

Tendering procedures were carried out by Regional Procurement Initiative in accordance with Council's own policy and procedures. Regional Procurement's Tender Value Selection System was applied during the tender review process to determine the most advantageous offer. Regional Procurement's policy is that the tender with the highest weighted score becomes the recommended tender unless a Panel of suppliers is endorsed.

**Statutory Requirements:**

The calling, receiving and reviewing of tenders was carried out in accordance with the Local Government (General) Regulation 2005-Section 7 Tendering.

**Issues:**

Assessment of the tenders is contained in the attached confidential supplement. There are no real issues regarding the acceptance of this tender and Council will meet our obligations as mentioned above in accordance with the Local Government Tendering Regulations.

**Implementation Date / Priority:**

The contract is for a two (2) year period with a further one (1) year option expected to commence from 1 July 2011.

**Recommendation:**

**That Council considers and approves tenders received by Regional Procurement Initiative on behalf of Coffs Harbour City Council and the Mid North Coast Alliance Group of Councils for the Supply and Delivery of Industrial Hardware and Associated Products Tender T11112MNC.**

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**CB11/34 TENDER: COFFS HARBOUR REGIONAL AIRPORT PASSENGER TERMINAL BUILDINGS CLEANING CONTRACT**

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**Purpose:**

To report on tenders received for Contract No 11/12-480-TO for the cleaning of the Coffs Harbour Regional Airport Terminal Buildings and to gain Council approval to accept a tender.

**Description of Item:**

Open tenders were called for a Lump Sum contract in local and capital city newspapers and via Council's electronic Tenderlink portal.

The deadline for submission of tenders was 3.30 pm on Tuesday, 10 May 2011.

The contract is for two (2) years plus a further option of one (1) year.

Tenders were evaluated on the following criteria:

- Tender price
- Experience in similar works
- Performance
- Safety and systems
- Staff and equipment.

Twelve (12) tenders were received from the following companies and they all conformed to tender document requirements:

1. Advanced National Services Pty Ltd
2. Coffs Harbour Cleaning & Maintenance Services
3. Coffs Professional Group Pty Ltd
4. Griffin Property Maintenance P/L
5. ISS Facility Services
6. Kleen Group Pty Limited
7. Menzies International (Aust) Pty Ltd
8. Robert J Flint
9. SKG Property Services Australia
10. Springmount Services Pty Ltd
11. TF Management Pty Limited
12. TJS Cleaning Services Pty Limited.

**Sustainability Assessment:**

- **Environment**

The provision of cleaning the Coffs Harbour Regional Airport Terminal Buildings has limited environmental issues which have been addressed in the tender documents.

The successful tenderer will be required to provide material safety data sheets for all cleaning chemicals used in performing the services.

All equipment and materials are to be of commercial grade quality with operators required to have a complete understanding of equipment and materials used to achieve optimum cleaning standards.

**Cont'd**

**CB11/34 Tender: Coffs Harbour Regional Airport Passenger Terminal Buildings Cleaning Contract ...(Cont'd)**

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All Public Liability and Workers Compensation Insurance requirements have been addressed in the tender documents.

- **Social**

There are no adverse social implications involved in this contract. Local staff will continue to be employed to undertake the cleaning works. Cleaning will be carried out between scheduled airline services and outside of terminal operating hours wherever possible.

- **Civic Leadership**

The Coffs Harbour Regional Airport (CHRA) is essential to meet the transport aspirations of the Coffs Harbour 2030 Plan.

- **Economic**

**Broader Economic Implications**

As a vital piece of transport infrastructure for the region the Coffs Harbour Regional Airport needs to be maintained and presented to the highest possible standard. Continued high quality air services will make a positive economic contribution to this region

**Delivery Program/Operational Plan Implications**

There is no cost to Council as the airport is self funding and the annual cleaning cost has been included in the airport budget for 2011/12.

**Consultation:**

As per Council's tender process. Group site inspections were also conducted at the airport

**Related Policy and / or Precedents:**

Tendering procedures were carried out in accordance with Council's Policy. Council's Tender Value Selection System was applied during the tender review process to determine the most advantageous offer. Council's policy is that the tender with the highest weighted score becomes the recommended tender.

**Statutory Requirements:**

The calling, receiving and reviewing of tenders was carried out in accordance with Part 7 Tendering of the Local Government (General) Regulations 2005.

**Issues:**

The Coffs Harbour Regional Airport (CHRA) is an integral transport hub for the region and continued growth and improvements are necessary to meet the growing demand for air travel to this area.

**Cont'd**

**CB11/34 Tender: Coffs Harbour Regional Airport Passenger Terminal Buildings Cleaning Contract ...(Cont'd)**

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**Implementation Date / Priority:**

The new contract will commence on 1 August 2011.

**Recommendation:**

**That Council considers tenders received for Cleaning Coffs Harbour Regional Airport Passenger Terminal Buildings, Contract No. 11/12-480-TO, and move the motion as detailed in the confidential attachment.**

**Craig Milburn  
Director  
Corporate Business**