



Central Highlands

Regional Council

General Meeting of Council

MINUTES

Meeting held in the Central Highlands Regional Council Chambers, Emerald Office

Tuesday 26 September 2017

Commenced at 2.30pm

CENTRAL HIGHLANDS REGIONAL COUNCIL

GENERAL MEETING OF COUNCIL

TUESDAY 26 SEPTEMBER 2017

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MINUTES – GENERAL MEETING
HELD AT 2.30PM TUESDAY 26 SEPTEMBER 2017 IN THE CENTRAL HIGHLANDS REGIONAL
COUNCIL CHAMBERS, EMERALD OFFICE

PRESENT

Councillors

Councillor (Crs) K. Hayes (Mayor), G. Godwin-Smith (Deputy Mayor)
Councillors (Crs) P. Bell AM, C. Brimblecombe, M. Daniels, A. McIndoe, G. Nixon and C. Rolfe

Officers

Chief Executive Officer S. Mason, General Manager Communities D. Fletcher, General Manager Corporate Services J. Bradshaw, General Manager Infrastructure and Utilities G. Joubert, General Manager Commercial Services M. Webster, Minute Secretary B. Pusey

APOLOGIES

Nil

LEAVE OF ABSENCE

Nil

CONFIRMATION OF MINUTES OF PREVIOUS MEETING

General Council Meeting: 12 September 2017

Resolution:

Cr McIndoe moved and seconded by Cr Nixon “That the minutes of the previous General Council Meeting held on 12 September 2017 be confirmed.”

2017 / 09 / 26 / 001

Carried (8-0)

Business Arising Out Of Minutes

Chief Executive Officer S. Mason provided an update of the duty of council to declare personal conflict or perceived conflict of interest, for council obligations and is currently working with King and Co for further clarity.

Outstanding Meeting Actions

Nil

Upcoming Agenda Items

Noted

MATERIAL PERSONAL INTEREST, CONFLICT OF INTEREST, PERSONAL GIFTS AND BENEFITS

Nil

PETITIONS (IF ANY)

Nil

COMMITTEE RECOMMENDATIONS / NOTES

Minutes of Meeting – The Game Plan Advisory Committee Meeting: 14 August 2017

Resolution:

Cr McIndoe moved and seconded by Cr Godwin-Smith “That the minutes of The Game Plan Advisory Committee meeting held on 14 August 2017 be endorsed.”

2017 / 09 / 26 / 002

Carried (8-0)

Attendance

Executive Assistant to Chief Executive Officer K. Love attended the meeting at 2.40pm

Executive Assistant to Chief Executive Officer K. Love left the meeting at 2.40pm

Manager Planning and Environment K. Byrne attended the meeting at 2.40pm

COMMUNITIES

Development Assessment Update: Application and Decisions August 2017

Executive Summary:

This report provides a monthly update on development activities currently before the Council for assessment and decision within the Development and Planning Team. This update will be presented monthly at the first General Council Meeting. While it was originally scheduled to be reported at the second meeting each month, it is more logical to report at the first month to better align with agenda timeframes so we can report on a whole month rather than a half month.

This monthly update provides an opportunity for the Councillors to understand the decisions made and to review the current applications before Council. Should the need arise, time can be scheduled to discuss specifics of the application offline with the Assessment Manager from the Development and Planning team.

Considered by Council.

Attendance

Manager Planning and Environment K. Byrne left the meeting at 2.44pm

Manager Finance S. Fogg attended the meeting at 2.45pm

Executive Assistant to Chief Executive Officer K. Love attended the meeting at 2.47pm

Executive Assistant to Chief Executive Officer K. Love left the meeting at 2.47pm

CORPORATE SERVICES

Monthly Financial Report - August 2017

Executive Summary:

A Financial Report which summarises the financial performance and position of the Central Highlands Regional Council is presented each month to provide a snapshot on Council’s financial performance. While this report complies with statutory obligations, it is also intended to provide additional information to keep Councillors informed in relation to relevant financial matters of Council.

Resolution:

Cr Nixon moved and seconded by Cr Brimblecombe “That Central Highlands Regional Council receive the Monthly Financial Report for the period ended 31 August 2017.”

2017 / 09 / 26 / 003

Carried (8-0)

Local Government Grants and Subsidy Funding

Executive Summary:

The Queensland State Government has recently announced the release of the 2017-19 Local Government Grants and Subsidies Program (LGGSP) and has invited Councils to submit projects for inclusion in the Program by 6 October 2017. Notification of the outcome is expected to be in late October 2017. The 2017-19 LGGSP has changed this year from a \$30 million one year program to a program offering \$60 million for projects to be completed over two financial years. The program provides a subsidy of up to 60% matched by a 40% Council contribution. All projects funded under this Program are required to be completed and acquitted by 30 June 2019.

This report proposes and details twelve (12) projects that have been identified as suitable to apply for funding under 2017-19 LGGSP eligibility criteria and Council’s support is sought for the submission of these proposals.

Resolution:

Cr Bell moved and seconded by Cr Godwin-Smith “That Central Highlands Regional Council support the submission of the proposed prioritised projects for funding under the 2017-19 Local Government Grants and Subsidies Program listed in the following order of priority:

Proposed Project	\$
1. Emerald Botanical Gardens (West) upgrade	\$1,409,000
2. Physical Asset Condition assessment (option 3)	\$880,211
3. Flood Warning Network Improvements – Upper Comet River and Medway Creek	\$200,000
4. Flood Warning Network Improvements – Isaac River / Clarke Range School and Community	\$120,000
5. Old Blackwater Aquatic Centre redevelopment	\$315,000
6. Supervisory control and data acquisition upgrades at Dingo and Duaringa Water Treatment Plant	\$385,000
7. Dingo and Duaringa Water Treatment Plant filter and media replacement	\$350,000
8. Blackwater Library upgrades to the existing building	\$63,000
9. Springsure Netball and Basketball Courts resurfacing and constructing handball wall	\$65,000
10. Springsure Racecourse – installation of irrigation system for racetrack	\$45,000
11. Emerald Library upgrades the existing Facility	\$155,000
12. Lions Park Springsure – new walk cycle pathway	\$290,000

Further, that Central Highlands Regional Council acknowledges that these projects will require a financial co-contribution for construction and that funding will be committed to the management and costs associated with the ongoing operation and maintenance of this infrastructure.”

2017 / 09 / 26 / 004

Carried (8-0)

Attendance

Manager Finance S. Fogg attended the meeting at 3.00pm

General Manager Central Highlands Development Corporation S. Hobbs attended the meeting at 3.00pm

Regional Development Officer Central Highlands Development Corporation C. Spalding attended the meeting at 3.00pm

CENTRAL HIGHLANDS DEVELOPMENT CORPORATION

Central Highlands Development Corporation - Departmental Update - September 2017

Executive Summary:

The report provides an update on the Central Highlands Development Corporations activity for September, as required through the Service Level Agreement (SLA) performance requirements for the delivery of new and approved projects in addition to management and administration of the organisation.

Central Highlands Development Corporation (CHDC) works in collaboration with CHRC, stakeholders, businesses, the community and government to activate and accelerate sustainable and cohesive responses through innovative and, entrepreneurial strategies that facilitate the opportunities to grow the regions potential and future sustainability.

Considered by Council.

Attendance

Regional Development Officer Central Highlands Development Corporation C. Spalding left the meeting at 3.15pm

CHIEF EXECUTIVE OFFICER

Service Level Agreement - Central Highlands Development Corporation

Executive Summary:

A review of the Service Level Agreement with Central Highlands Development Corporation has led to certain changes being requested by both parties. This report sets out those changes, with in principle support requested to progress the revision of the Service Level Agreement to completion.

Resolution:

Cr Brimblecombe moved and seconded by Cr Godwin-Smith “That Central Highlands Regional Council endorse the Service Level Agreement with the Central Highlands Development Corporation, as presented and authorise the Chief Executive Officer to execute the Service Level Agreement on behalf of Council.”

2017 / 09 / 26 / 005

Carried (8-0)

Attendance

General Manager Central Highlands Development Corporation S. Hobbs left the meeting at 3.29pm
Manager Finance S. Fogg attended the meeting at 3.30pm

LATE AGENDA ITEMS

2017-2018 Budget Review 1

Executive Summary:

Council adopted the Budget for the 2017/18 financial year in early July 2017 along with long term financial forecasts based on the activities in the operational plan and other key strategic documents. With the significant submissions for NDRRA Flood Damage funding for the 2017/18 and 2018/19 financial years, it is considered timely to review our performance against the budget and account for these major changes. During the course of the year variances may occur and Council may decide to vary its budget by resolution.

The 2017/18 budget has been reviewed based on actual results to the end of August 2017 and a number of changes are proposed to reflect the operational changes and those capital expenditure projects that were carried forward for completion in the 2017/18 financial year. The operating result forecast for the 2017/18 financial year is a deficit of \$323,087 compared to the original budgeted deficit of \$1,249,020. The capital expenditure has been increased by \$18.4 million to \$91.9 million to reflect works to be carried out in the 2017/18 financial year.

Resolution:

Cr Nixon moved and seconded by Cr Rolfe “That in accordance with sections 169 and 170 of the *Local Government Regulation 2012* Central Highlands Regional Council adopt the amendments to the budget including:-

1. The statement of comprehensive income
2. The statement of financial position
3. The statement of cash flow
4. The statement of changes in equity
5. The key financial sustainability metrics
6. 3 year Capital program 2017/18; 2018/19 and 2019/20.”

2017 / 09 / 26 / 006

Carried (8-0)

Attendance

Manager Finance S. Fogg left the meeting at 3.38pm

Murray Darling Association Conference

Executive Summary:

The key role of local government is to plan for the future of our local communities ensuring that our resources are managed in a responsible and sustainable way. And there are no more important resources than those shared among the councils and communities of the Murray-Darling Basin.

Local government, the members of the Murray Darling Association and the Basin community must plan and work together with our state and federal colleagues, developing strategies, making decision, and delivering projects that provide for a strong and healthy future.

Resolution:

Cr Nixon moved and seconded by Cr Godwin-Smith “That Central Highlands Regional Council receive the report presented to Council.”

2017 / 09 / 26 / 007

Carried (8-0)

GENERAL BUSINESS

(Verbal matters raised by Councillors either as a question, acknowledgement and or additional follow-up by officers)

Cr Nixon provided an update from her attendance at the Inaugural Regional Corrective Services Conference held on 14 September 2017 which was attended by the three work camps: Clermont; Springsure and Blackall. Springsure has been nominated to host next year's event.

Resolution:

Cr Nixon moved and seconded by Cr Rolfe "That Central Highlands Regional Council notify the Department of Corrective Services of its intent to host the next Department of Corrective Services Conference in Springsure on the 27 September 2018"

2017 / 09 / 26 / 008

Carried (8-0)

CLOSED SESSION

Into Closed Session

Resolution:

Cr McIndoe moved and seconded by Cr Daniels "That Council close its meeting to the public in accordance with Section 275 (1) (h) of the Local Government Regulation 2012 and that only Council staff involved in the closed discussions remain in the room."

2017 / 09 / 26 / 009

Carried (8-0)

The meeting was closed at 3.54pm

Attendance

General Manager Infrastructure and Utilities G. Joubert left the meeting at 3.54pm

General Manager Commercial Services M. Webster left the meeting at 3.54pm

Manager Water Utilities P. Manning attended the meeting at 4.29pm

General Manager Infrastructure G. Joubert attended the meeting at 4.29pm

General Manager Communities left the meeting at 4.29pm

Emerald Aquatic Centre - Water Slides Repayment Agreement

Negotiations with SunWater for Bulk Water Pricing

Out of Closed Session

Resolution:

Cr Godwin-Smith moved and seconded by Cr Nixon "That the meeting now be re-opened to the public."

2017 / 09 / 26 / 010

Carried (8-0)

The meeting was opened at 5.03pm

Attendance

General Manager Corporate Services M. Webster attended the meeting at 5.05pm

Emerald Aquatic Centre - Water Slides Repayment Agreement

Executive Summary:

The Emerald Aquatic Centre lessee's, Bobtrac Pty Ltd, have requested a reduction to the initial payment set out in the 'repayment agreement' between Bobtrac Pty Ltd and Central Highlands Regional Council. The repayment schedule was signed on 31 March 2016 for payments allocated towards the construction of the water slides, however due to the loss of revenue as a result of delayed delivery of the project the lessee's are requesting consideration be given to proportionately reducing the original terms of payment.

Resolution:

Cr Rolfe moved and seconded by Cr Brimblecombe "That the Central Highlands Regional Council approve a reduction to the practical completion payment from Bobtrac Pty Ltd to Central Highlands Regional Council of \$70,000 to \$23,000 + goods and services tax.

And further;

That Central Highlands Regional Council approve that the loan agreement be discontinued and a new lease agreement including payment schedule be prepared which reflects this change."

2017 / 09 / 26 / 011

Carried (8-0)

Negotiations with SunWater for Bulk Water Pricing

Executive Summary:

There has been an extended period where councils have been notified that the prices SunWater will be charging councils will be increasing significantly to upper bound levels when existing contracts are renewed. SunWater are proposing a strategy of capped postage stamp pricing, where increases are averaged across the state.

The Local Government Association of Queensland (LGAQ), on behalf of Queensland councils, is supportive of 'line in the sand' legacy pricing process as better practice. The proposed 'line in the sand' approach means the asset base valuation should be based on how profitable the dam was as at the legacy date of January 1, 2007. Alternatively councils could negotiate along with adjacent regional councils for a regionally accepted solution to price increases.

It is recommended that Central Highlands Regional Council take a position on pricing negotiation with SunWater to reach resolution on new water supply contracts, on the basis of the current lower bound price plus a return on capital upgrades since January 1, 2007.

Resolution:

Cr Godwin-Smith moved and seconded by Cr Nixon "That Central Highlands Regional Council determines its negotiating position on new water supply contracts with SunWater, to be based on the current lower bound price plus a return on capital upgrades since January 1, 2007."

2017 / 09 / 26 / 012

Carried (8-0)

CLOSURE OF MEETING

There being no further business, the Mayor closed the meeting at 5.05pm

CONFIRMED

MAYOR

DATE