

Finance and Infrastructure Standing Committee Meeting

Meeting of the Central Highlands Regional Council
Finance and Infrastructure Standing Committee Meeting
held in the **Council Chambers, 65 Egerton Street,
Emerald** on

Tuesday, 13 November 2018
Commenced at 8.30am

COUNCIL MINUTES

Unconfirmed

CENTRAL HIGHLANDS REGIONAL COUNCIL

FINANCE AND INFRASTRUCTURE STANDING COMMITTEE MEETING

TUESDAY 13 NOVEMBER 2018

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**MINUTES – FINANCE AND INFRASTRUCTURE STANDING COMMITTEE MEETING
HELD AT 8.30AM TUESDAY 13 NOVEMBER 2018 IN THE CENTRAL HIGHLANDS REGIONAL
COUNCIL CHAMBERS, EMERALD OFFICE**

PRESENT

Councillors

Councillor (Cr) K. Hayes (Mayor),
Councillors G. Godwin-Smith (Deputy Mayor/Chair), C. Brimblecombe, G. Nixon, and C. Rolfe

Officers

General Manager. Infrastructure and Utilities G. Joubert, General Manager Customer and Commercial Services M. Webster, General Manager, Corporate Services J. Bradshaw, Corporate Communications Officer J.Lorenzen, Minute Secretary L. Pugh.

APOLOGIES

Councillor M. Daniels

Resolution:

Cr Nixon moved and seconded by Cr Brimblecombe "That a leave of absence as previously granted for Councillor Daniels for today's meeting be recorded."

FISC 2018 / 11 / 13 / 001

Carried (5-0)

LEAVE OF ABSENCE

Nil

CONFIRMATION OF MINUTES OF PREVIOUS MEETING

Finance and Infrastructure Standing Committee Meeting: 9 October 2018

Resolution:

Cr Brimblecombe moved and seconded by Cr Rolfe "That the minutes of the previous Finance and Infrastructure Standing Committee Meeting held on 9 October 2018 be confirmed."

FISC 2018 / 11 / 13 / 002

Carried (5-0)

Business Arising Out of Minutes

Nil

Outstanding Meeting Actions

Cr Brimblecombe raised the question about Blackwater school water supply and how is it progressing. General Manager. Infrastructure and Utilities G. Joubert, provided response that George Bourne and Associates have been engaged and will be progressing this project.

Review of Upcoming Agenda Items

Nil

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

Cr Rolfe declared that she has a conflict of interest in item 13.3 Infrastructure and Utilities Departmental Update Santos GLNG – Arcadia Valley (as defined by section 175D of the *Local Government Act 2009*) as follows: -

- (a) Shareholding in Santos Ltd;

Cr Rolfe determined that this personal interest is not of sufficient significance that it will lead her to making a decision on the matter that is contrary to the public interest. She will best perform her responsibility of serving the overall public interest of the whole of the Council's area by participating in the discussion on this matter.

However, Cr Rolfe acknowledged that the remaining councillors must now determine, pursuant to section 175E (4) of the *Local Government Act 2009*: -

- (a) Whether she has a real conflict of interest in this matter or a perceived conflict of interest in this matter; and
(b) If so, whether: -
 a. She must leave the meeting while this matter is discussed or voted on; or
 b. If she may participate in the meeting in relation to the matter, including by voting on the matter.

Cr Rolfe left the meeting at 8:40am

Resolution:

Cr Nixon moved and seconded Cr Brimblecombe "That Councillor Rolfe has a real conflict of interest in the matter and, notwithstanding the conflict, Councillor Rolfe may participate in the discussion on this matter."

FISC 2018 / 11 / 13 / 003

Carried (4-0)

Attendance:

Cr Rolfe returned to the meeting at 8:41am

PETITIONS (IF ANY)

Nil

CORPORATE SERVICES

Managing Local Government Rates and Charges – QAO Performance Report

Executive summary:

The Queensland Audit Office undertook a performance audit of local government with the objective of examining whether councils set and administer rates and charges appropriately to support long-term financial sustainability.

The purpose of this report is to provide Council with a comparison of Central Highlands Regional Council to the findings and a status of recommendations arising.

Resolution:

Cr Rolfe moved and seconded by Cr Brimblecombe "That Central Highlands Regional Council receive the information report from the Queensland Audit Office on local government rates and charges."

FISC 2018 / 11 / 13 / 004

Carried (5-0)

Attendance:

Consultant W Jensen attended the meeting at 8:41am.

Forecasting long-term sustainability of Local Government – QAO Performance Report

Executive Summary:

The Queensland Audit Office undertook a performance audit of the effectiveness of local government long-term financial forecasting and modelling, and the contribution this makes towards financial sustainability for councils.

This report provides a comparison of the performance of Central Highlands Regional Council (CHRC) against the findings of the report.

Resolution:

Cr Nixon moved and seconded by Cr Rolfe "That Central Highlands Regional Council receive the information report from the Queensland Audit Office on local government financial sustainability."

FISC 2018 / 11 / 13 / 005

Carried (5-0)

Attendance:

Consultant W Jensen left the meeting at 9:02am.

Manager Asset Management M. Gatt attended the meeting at 9:03am.

Asset Management Road Map

Executive Summary:

This report provides a high-level progress update on the progress of the Asset Management Roadmap, adopted in May 2016, and information on the various projects assisting in integrating asset management throughout the business of Council.

Resolution:

Cr Nixon moved and seconded by Cr Brimblecombe "That Central Highlands Regional Council receive the Asset Management Roadmap Update report to 31 October 2018."

FISC 2018 / 11 / 13 / 006

Carried (5-0)

Attendance:

Manager Asset Management Margaret Gatt left the meeting at 9:09am.

CUSTOMER AND COMMERCIAL SERVICES

Emerald Saleyards Coordination Committee Minutes: 26 October 2018

Executive summary:

The Emerald Saleyards Coordination Committee met on 26 October 2018. Items discussed during the committee meeting included Workplace Health and Safety, Financial Update, Cattle Curfew and Bull Sales.

Resolution:

Cr Rolfe moved and seconded by Cr Nixon "That Central Highlands Regional Council receive the Emerald Saleyards Coordination Committee Minutes 26 October 2018."

FISC 2018 / 11 / 13 / 007

Carried (5-0)

INFRASTRUCTURE AND UTILITIES

Permanent Road Closure over an area of road adjoining Lot 25 on SP248574, Pritchard Road Emerald

Executive Summary:

Central Highlands Regional Council have received correspondence, dated 12 October 2018, from the Department of Natural Resources, Mines and Energy (DNRME) seeking our comment on an application for a permanent road closure over the unmade road adjoining Lot 25 on SP248574, Pritchard Road, Emerald.

Resolution:

Cr Rolfe moved and seconded by Cr Brimblecombe “That Central Highlands Regional Council advise the Department of Natural Resources, Mines and Energy that Council objects to the permanent road closure over the unmade road adjoining Lot 25 on SP248574, Pritchard Road, Emerald.”

FISC 2018 / 11 / 13 / 008

Carried (5-0)

Permanent road closure over part of road adjoining Lot 34 on BH294 Bauhinia

Executive Summary:

Central Highlands Regional Council made application to Department of Natural Resources, Mines and Energy (DNRME), on 6 July 2016, for a permanent road closure of about 8830 square metres to be amalgamated into Lot 34 BH294, Bauhinia. This was to deal with the existing cattle yards encroaching on the gazetted road access to the Bauhinia Showgrounds from the Fitzroy Developmental Road.

Council since received correspondence, dated 2 March 2018, from DNRME regarding Council’s application, which was subject to the execution of an *Agreement to Offer Permanent Road Closure* with conditions.

This report is to advise Council that the Agreement to Offer Permanent Road Closure has been executed and that Council have complied with the requirements of the offer.

Resolution:

Cr Nixon moved and seconded by Cr Rolfe “That Central Highlands Regional Council note the execution of the Agreement to Offer Permanent Road Closure and that Council has complied with the requirements of the offer.”

FISC 2018 / 11 / 13 / 009

Carried (5-0)

DEPARTMENTAL UPDATES

Corporate Services

Executive summary:

The following report provides an update on key activities for the Corporate Services department.

- ❖ Council Resources – Employee Use

Resolution:

Cr Brimblecombe moved and seconded by Cr Rolfe “That Central Highlands Regional Council receive the Corporate Services departmental update report, highlighting key activity for the month of October 2018.”

FISC 2018 / 11 / 13 / 010

Carried (5-0)

Attendance

Manager Asset Management M Gatt attended the meeting at 9:22am.

General Manager Communities D Fletcher attended the meeting at 9:27am.

Manager Asset Management M Gatt left the meeting at 9:29am.

General Manager Corporate Services J Bradshaw left the meeting at 9:31am and returned at 9:31am.

Customer and Commercial Services

Executive summary:

The following report provides an update on key activities for the Customer and Commercial Services department.

- ❖ Airport
- ❖ Saleyards
- ❖ Quarry
- ❖ Central Highlands (Qld) Housing Company Limited
- ❖ Land Development
- ❖ General Manager

Resolution:

Cr Brimblecombe moved and seconded by Cr Rolfe "That Central Highlands Regional Council receive the Customer and Commercial Services departmental update report, highlighting key activities for the month of October 2018."

FISC 2018 / 11 / 13 / 011

Carried (5-0)

Attendance

Manager Infrastructure J Hoolihan and Manager Water Utilities P Manning attended the meeting at 9:40am.

General Manager Customer and Commercial Services M Webster left the meeting at 9:41am.

General Manager Customer and Commercial Services M Webster entered the meeting at 9:43am.

Executive Assistant, Mayor & Councillors M Wills attended the meeting at 9:50am.

Cr Hayes and Executive Assistant, Mayor & Councillors M Wills left the meeting at 9:51am.

General Manager Corporate Services J Bradshaw left the meeting at 9:52am

Cr Hayes returned to the meeting at 9:52am.

Manager Water Utilities P Manning left the meeting at 9:56am.

Infrastructure and Utilities

Executive Summary:

The following report provides an update on key activities for the Infrastructure and Utilities department.

- ❖ Overview Meeting with Building Queensland Chief Executive Officer
- ❖ Update on Water Resource Database
- ❖ Overview on Heavy Vehicle Council Engineers Seminar
- ❖ Roads and Transport Alliance Memorandum of Agreement
- ❖ Transport and Tourism Connections Program Funding
- ❖ Santos GLNG – Arcadia Valley
- ❖ Overview of attendance at IPWEA Conference
- ❖ Annual water service provider reporting
- ❖ National Water Week school visits
- ❖ Sewer jump-up relining
- ❖ Monthly reporting on capital projects - October

Resolution:

Cr Brimblecombe moved and seconded by Cr Rolfe “That Central Highlands Regional Council receive the Infrastructure and Utilities departmental update report, highlighting key activities for the month of October.”

FISC 2018 / 11 / 13 / 012

Carried (5-0)

GENERAL BUSINESS

Nil

CLOSED SESSION

Attendance:

Corporate Communications Officer J Lorenzen left the meeting at 9:56am.

Into closed session**Resolution:**

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

FISC 2018 / 11 / 13 / 13

Carried (5-0)

The meeting was closed at 9:56am

Emerald Airport Runway Upgrade (Customer and Commercial Services)

Attendance

Manager Infrastructure J Hoolihan left the meeting at 10:04am

Manager Water Utilities P Manning and Manager Planning and Environment K Byrne attended the meeting at 10:04am.

Environmental Compliance Report (Infrastructure and Utilities)

Attendance

Peter Manning, Manager Water Utilities and Manager Planning and Environment Kirstin Byrne left the meeting at 10:12am.

Departmental Update (Customer and Commercial Services)

Out of Closed Session

Resolution:

Cr Rolfe moved and seconded by Cr Brimblecombe “That the meeting now be re-opened to the public.”

FISC 2018 / 11 / 113 / 014

Carried (5-0)

The meeting was opened at 10:15am.

Emerald Airport Runway Upgrade (Customer and Commercial Services)

Executive Summary:

This report is a status update for the Emerald Airport Pavement Strengthening Project and to report on issues with the current Stage 2 - Runway Ends Pavement Project.

Designs were in the process of being updated in May 2018 by the consultant Aecom, prior to re-calling of Tenders. However further soil testing has revealed issues with stabilising the in-situ-material. Given the project and cost risks, Council requested Aecom investigate the options available and update the project costs, given the likely budget over-run.

A report has been prepared by Aecom (attached) outlining options and associated costs. This recommends that the existing pavement be replaced with new cement stabilised gravel. The estimated project costs have now increased from the current approved budget of \$5.4M to \$10.9M, requiring significant additional funds.

There is also an associated project time delay. This is complicated by the current state approved Building Our Regions funding of \$2.3M which requires a delivery deadline of September 2019. Council has notified the Department of State Development, Infrastructure and Planning (DISMIP) representatives of the issues and will keep them informed of progress.

In view of the issues and risks, Council has commissioned a Peer Review of the Aecom Report, in order to establish if there are any other options, and if the option recommended by Aecom is the best solution. A first draft of report by APES pavement specialists has just been received. Airport Management have commenced reviews of this new information and will prepare recommendations over coming weeks.

Resolution:

Cr Rolfe moved and seconded by Cr Nixon "That Central Highlands Regional Council receive the Emerald Airport Runway upgrade status report which provides an update on the current options and risks associated with the project."

FISC 2018 / 11 / 13 / 015

Carried (5-0)

Environmental Compliance Status Report

Executive Summary:

This report provides Council with a status update on current compliance related matters associated with Central Highland Regional Council's (CHRC) major Environmental Relevant Activities (ERA).

Waste Services provides unbroken kerbside collection, has hundreds of client transactions a day at 18 facilities across the region. Since 2017, Waste Services worked to meet 48 compliance issues with the then Department of Environment and Heritage Protection (DEHP) that have resulted from the failure of Central Highlands Regional Council to administer their facilities in compliance with their ERA.

Two (2) of these non-compliances resulted in an Environmental Evaluation of Lochlees and Blackwater Landfills, whilst the rest have been addressed. In the last inspection rollout in January 2018, 11 non-compliances and Areas of Concern were identified with several reoccurring from previous inspections.

Water Utilities manage seven (7) sewage treatment plants across the Central Highlands region. One (1) of the plants currently has a Transitional Environmental Program in place to cover upgrades required to bring the plant back into compliance with the ERA conditions.

Resolution:

Cr Brimblecombe moved and seconded by Cr Rolfe "That Central Highlands Regional Council receive the environmental compliance status report."

FISC 2018 / 11 / 13 / 016

Carried (5-0)

Departmental Updates (Customer and Commercial Services)

Executive summary:

The following report provides an update on key activities for the Customer and Commercial Services department for the month of October 2018.

Resolution:

Cr Rolfe moved and seconded by Cr Nixon “That Central Highlands Regional Council receive the Customer and Commercial Services departmental update report, highlighting key activities for the month of October 2018.”

FISC 2018 / 11 / 13 / 017

Carried (5-0)

CLOSURE OF MEETING

There being no further business, the Chair closed the meeting at 10:16am

CONFIRMED

CHAIR

DATE

Unconfirmed