



TAMWORTH REGIONAL COUNCIL

Notice is hereby given, in accordance with the provisions of the Local Government Act 1993 that a **Meeting of Tamworth Regional Council** will be held in the **Council Chambers, Lands Building, 25-27 Fitzroy Street, Tamworth**, commencing at **6pm**.

ORDINARY COUNCIL AGENDA

12 MAY 2026

**PAUL BENNETT
GENERAL MANAGER**

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Council

Meeting Date: 2nd and 4th Tuesday of the month commencing at 6:30pm.

Matters determined by Ordinary meetings will include all those non-delegable functions identified in Section 377 of the Local Government Act as follows:

- *“the appointment of a general manager*
- *the making of a rate*
- *a determination under section 549 as to the levying of a rate*
- *the making of a charge*
- *the fixing of a fee*
- *the borrowing of money*
- *the voting of money for expenditure on its works, services or operations*
- *the compulsory acquisition, purchase, sale, exchange or surrender of any land or other property (but not including the sale of items of plant or equipment)*
- *the acceptance of tenders which are required under this Act to be invited by the council*
- *the adoption of an operational plan under section 405*
- *the adoption of a financial statement included in an annual financial report*
- *a decision to classify or reclassify public land under Division 1 of Part 2 of Chapter 6*
- *the fixing of an amount or rate for the carrying out by the council of work on private land*
- *the decision to carry out work on private land for an amount that is less than the amount or rate fixed by the council for the carrying out of any such work*
- *the review of a determination made by the council, and not by a delegate of the council, of an application for approval or an application that may be reviewed under section 82A of the [Environmental Planning and Assessment Act 1979](#)*
- *the power of the council to authorise the use of reasonable force for the purpose of gaining entry to premises under section 194*
- *a decision under section 356 to contribute money or otherwise grant financial assistance to persons*
- *the making of an application, or the giving of a notice, to the Governor or Minister*
- *this power of delegation*
- *any function under this or any other Act that is expressly required to be exercised by resolution of the council.”*

Other matters and functions determined by Ordinary Council Meetings will include:

- *Notices of Motion*
- *Notices of Motion of Rescission*
- *Council Elections, Polls, Constitutional Referendums and Public Hearings/Inquiries*
- *Ministerial Committees and Inquiries*
- *Mayor and Councillors Annual Fees*
- *Payment of Expenses and Provision of Facilities to Mayor and Councillors*
- *Local Government Remuneration Tribunal*
- *Local Government Boundaries*
- *NSW Ombudsman*
- *Administrative Decisions Tribunal*
- *Delegation of Functions by the Minister*
- *Delegation of Functions to General Manager and Principal Committees*
- *Organisation Structure*
- *Code of Conduct*
- *Code of Meeting Practice*
- *Honesty and Disclosure of Interests*
- *Access to Information*
- *Protection of Privacy*
- *Enforcement Functions (statutory breaches/prosecutions/recovery of rates)*
- *Dispute Resolution*
- *Council Land and Property Development*
- *Annual Financial Reports, Auditors Reports, Annual Reports and Statement of the Environment Reports*
- *Performance of the General Manager*
- *Equal Employment Opportunity*
- *Powers of Entry*
- *Liability and Insurance*
- *Membership of Organisations*

Membership: All Councillors
Quorum: Five members
Chairperson: The Mayor
Deputy Chairperson: The Deputy Mayor

Public Forum Policy

The first 30 minutes of Open Council Meetings is available for members of the Public to address the Council Meeting or submit questions either verbally or in writing, on matters INCLUDED in the Business Paper for the Meeting.

Members of the public will be permitted a maximum of three minutes to address the Council Meeting. An extension of time may be granted if deemed necessary.

Members of the public seeking to represent or speak on behalf of a third party must satisfy the Council or Committee Meeting that he or she has the authority to represent or speak on behalf of the third party.

Members of the public wishing to address Council Meetings are requested to contact Council either by telephone, in person or online prior to 4:30pm the day prior to the Meeting to address the Council Meeting. Persons not registered to speak will not be able to address Council at the Meeting.

Council will only permit three speakers in support and three speakers in opposition to a recommendation contained in the Business Paper. If there are more than three speakers, Council's Governance division will contact all registered speakers to determine who will address Council. In relation to a Development Application, the applicant will be reserved a position to speak.

Members of the public will not be permitted to raise matters or provide information which involves:

- personnel matters concerning particular individuals (other than Councillors);
- personal hardship of any resident or ratepayer;
- information that would, if disclosed confer a commercial advantage on a person with whom Council is conducting (or proposes to conduct) business;
- Commercial information of a confidential nature that would, if disclosed:
 - prejudice the commercial position of the person who supplied it, or
 - confer a commercial advantage on a competitor of the Council; or
 - reveal a trade secret;
- information that would, if disclosed prejudice the maintenance of law;
- matters affecting the security of the Council, Councillors, Council staff or Council property;
- advice concerning litigation or advice that would otherwise be privileged from production in legal proceedings on the ground of legal professional privilege;
- information concerning the nature and location of a place or an item of Aboriginal significance on community land;
- alleged contraventions of any Code of Conduct requirements applicable under Section 440; or
- on balance, be contrary to the public interest.

Members of the public will not be permitted to use Community Consultation to abuse, vilify, insult, threaten, intimidate or harass Councillors, Council staff or other members of the public. Conduct of this nature will be deemed to be an act of disorder and the person engaging in such behaviour will be ruled out of the order and may be expelled.

Disclosure of Political Donations or Gifts

If you have made a relevant planning application to Council which is listed for determination on the Council Business Paper you must disclose any political donation or gift made to any councillor or employee of the Council within the period commencing two years before the application is made and ending when the application is determined (Section 147(4) Environmental Planning and Assessment Act 1979).

If you have made a relevant public submission to Council in relation to a relevant planning application which is listed for determination on the Council Business Paper you must disclose any political donation or gifts made to any councillor or employee of the Council by you as the person making the submission or any associate within the period commencing two years before the submission is made and ending when the application is determined (Section 147(5) Environmental Planning and Assessment Act 1979).

AGENDA

1 APOLOGIES AND LEAVE OF ABSENCE

2 MINUTES OF PREVIOUS MEETING SUBMITTED FOR APPROVAL

RECOMMENDATION

That the Minutes of the Ordinary Meeting held on Tuesday, 28 April 2026, copies of which were circulated, be taken as read and confirmed as a correct record of the proceedings of the Meeting.

3 DISCLOSURE OF INTEREST

Pecuniary Interest

Non Pecuniary Conflict of Interest

Political Donations

4 MAYORAL MINUTE

Nil

5 NOTICE OF MOTION

Nil

OPEN COUNCIL REPORTS

6 ENVIRONMENT AND PLANNING

6.1 DRAFT VOLUNTARY PLANNING AGREEMENTS - CALALA BATTERY ENERGY STORAGE SYSTEM AND THUNDERBOLT WIND FARM

DIRECTORATE: LIVEABLE COMMUNITIES

AUTHOR: Jordan Kirk, Renewable Energy Project Coordinator

Reference: Item 7.3 to Ordinary Meeting 13 August 2024 - Minute No 202/24

2 ANNEXURES ATTACHED

RECOMMENDATION

That in relation to the report “Draft Voluntary Planning Agreements - Calala Battery Energy Storage System and Thunderbolt Wind Farm”, Council:

- (i) endorse the public exhibition of the Draft Voluntary Planning Agreements for a period of 28 days; and*
- (ii) receive a subsequent report to a future Ordinary Meeting of Council to detail the outcomes on the public exhibition.*

SUMMARY

At the Meeting of Council on 13 August 2024, Council resolved (Minute No. 202/24) to

provide in-principle agreement to the terms of the Voluntary Planning Agreements (VPAs) for the Calala Battery Energy Storage System (Calala BESS) and Thunderbolt Wind Farm.

Draft VPAs have now been prepared for Calala BESS and Thunderbolt Wind Farm consistent with the in-principle agreement from Council and the *Environmental Planning and Assessment Act 1979 (EP&A Act)*.

It is recommended that Council endorse the public exhibition of both Draft VPAs, for a period of 28 days, with a subsequent report to be provided to a future Ordinary Meeting of Council detailing the outcomes of this public exhibition.

COMMENTARY

Calala Battery Energy Storage System

On 28 June 2024, the Department of Planning, Housing and Infrastructure (DPHI) approved the State Significant Development (SSD-52786213) Calala Battery Energy Storage System (Calala BESS) to be located at 474 Calala Lane, Calala.

At the Ordinary Meeting of Council on 13 August 2024, Council provided in-principle agreement to the following terms of the voluntary planning agreement offer for Calala BESS:

- monetary contribution of 0.31% of finalised CIV, to be paid as a lump sum prior to commencement of construction; and
- a further payment annually of \$200,000 (CPI adjusted) for the first three years of operation of the project (totalling \$600,000), either paid via the VPA or as a separate Community Benefits Fund.

A Draft VPA has now been prepared for the Calala BESS and is **ATTACHED**, refer **ANNEXURE 1**. The Draft VPA has been prepared in accordance with the *EP&A Act* and the key elements of the VPA are discussed in Table 1 below. Council received updated draft of VPA on 10 February 2026, with the Developers Contribution amounting to **\$1,397,000**, which is equal to 0.31% of finalised Capital Investment Value (at the time of Financial Close).

Key Element	Discussion
Monetary contribution of 0.31% of finalised CIV to be paid as a lump sum to Council within 20 business days of executing the agreement.	<p>The value of the monetary contribution is consistent with Council’s in-principle agreement.</p> <p>The timing of the payment has been amended to “within the 20 business days of executing the agreement”.</p> <p>Construction has commenced on the Calala BESS, with the conditions of SSD-52786213 stating that, unless the Planning Secretary agrees otherwise, if the Applicant and Council do not enter into a VPA or other agreement prior to the commencement of construction, then within three months of the commencement of construction (and annually from the commencement of operation until the cessation of operation of the project), the Applicant must make a Section 7.12 of the EP&A Act contribution to Council. The total value of these contributions is \$1,350,000.</p>

	The Section 7.12 contribution is significantly less funds for the community compared to the VPA. Therefore, the Planning Secretary has agreed, at Council's and the developer's request, to amend the timing of the VPA and payment.
Not less than 20% of the monetary contribution to Council must be used to deliver projects to provide benefits to First Nations communities in consideration of the Council's Closing the Gap and Mara Ngali Partnership Agreement.	This clause has been included at the request of the developer and is supported in recognition of the Mara Ngali Partnership Agreement.
The monetary contribution (not including the first nations component above) must be used by Council for the funding of the construction of, or improvements to infrastructure in the Council's local government area and the vicinity of the Calala BESS.	The use of the fund is consistent with the 'public purpose' requirements outlined in Section 7.4 of the <i>EP&A Act</i> .
The developer will establish a separate Community Benefit Fund to administer annual payments of \$200,000 (CPI adjusted) for the first three years of operation of the project	<p>The <i>Tamworth Regional Council Voluntary Planning Agreement Policy for Renewable Energy Projects 2023</i> states:</p> <p><i>"Council's preference is that any community enhancement fund (and the like) be administered by a philanthropic Community Benefit Fund provider rather than Council, with Council holding a role as member".</i></p> <p>The proposed Community Benefit Fund being managed by the developer (not Council) is consistent with Council's policy.</p>

It is recommended that Council endorse the Draft VPA for public exhibition, for a minimum of 28 days in accordance with the EP&A Act. A subsequent report will be provided to a future Meeting of Council detailing the outcomes of the public exhibition.

Thunderbolt Wind Farm

On 8 May 2024, the Independent Planning Commission approved the State Significant Development (SSD-10807896) Thunderbolt Wind Farm located at Kentucky, approximately 50km north-east of Tamworth.

At the Ordinary Meeting of Council on 13 August 2024, Council provided in-principle agreement to the following terms of the voluntary planning agreement offer for Thunderbolt Windfarm:

- Annual Payments - the first payment of \$112,111.00 plus indexation to CPI to be made on or immediately following the start of commercial operation of the project and subsequent payments to be made annually (for a total of 30 years) on the anniversary of the commercial operations date. The estimated value of this contribution is \$3,363,330.00.
- 33% or approximately \$1,109,898.90 of the above amount is to be spent in the immediate community, i.e., within a 20-minute drive of Thunderbolt Wind Farm. This is essentially a community benefit fund.

A Draft VPA has now been prepared for Thunderbolt Wind Farm and is **ATTACHED**, refer **ANNEXURE 2**. The Draft VPA has been prepared in accordance with the *EP&A Act* and the key elements of the VPA are discussed in Table 2 below.

Table 3: Key Elements of Thunderbolt Wind Farm Draft Voluntary Planning Agreement	
Key Element	Discussion
Annual contributions of \$75,114.37 paid to Council, indexed to CPI, from project commencement.	This contribution does not include the 33% to be spent in the immediate community via a community benefit fund, i.e., \$112,111.00 – 33% (\$36,996.63) = \$75,114.37. This is consistent with Council’s in-principle agreement.
The 33% to be spent in the immediate community will be administered through a separate Community Benefit Fund established by the developer.	The proposed Community Benefit Fund being managed by the developer (not Council) is consistent with Council’s policy.
The annual contributions must be used for a public purpose within the meaning of Section 7.4 of the EP&A Act and in accordance with Council’s Delivery Program.	The use of the annual contributions by Council is consistent with the requirements of the <i>EP&A Act</i> .
Bank guarantees will be provided to Council as security for the annual contribution.	Bank guarantees are considered a suitable enforcement mechanism of the VPA over the thirty year lifespan of the project.

It is recommended that Council endorse the Draft VPA for public exhibition, for a minimum of 28 days in accordance with the EP&A Act. A subsequent report will be provided to a future Meeting of Council detailing the outcomes of the public exhibition.

Discussion – DPHI Benefit-Sharing Guideline, November 2024

On 12 November 2024, the Department Planning, Housing and Infrastructure (DPHI) introduced the Renewable Energy Planning Framework (Framework). This Framework

includes a Benefit-Sharing Guideline (Guideline) that specifies state-wide values per annum for benefit sharing associated with wind energy development, solar energy development and stand-alone battery energy development in rural areas.

As Calala BESS and Thunderbolt Wind Farm were approved prior to the commencement of the Framework and Guideline, neither project is required to comply with the state-wide benefit-sharing values. However, as an exercise for the Councillors information, Table 3 below provides a comparison of the Draft VPAs value to the Guideline values (if it could be applied).

Table 3: Comparison of Draft VPA Values vs. DPHI Benefit-Sharing Guideline		
Project	Draft VPA – Total Value	Benefit-Sharing Guideline
Calala BESS	\$1,997,000	600 MWh x \$150 x 30 years = <u>\$2,700,000</u>
Thunderbolt Wind Farm	\$3,363,330	192 MW x \$1,050 x 30 years = \$6,048,000 x 0.6 TRC Apportionment = <u>\$3,628,800</u>

Conclusion

The Calala BESS has been approved by DPHI and the Thunderbolt Wind Farm has been approved by the IPC. The terms of the VPA offers from both projects were enshrined in the conditions of the respective consents. These terms were considered at the Ordinary Meeting of Council on 13 August 2024, where Council resolved (Minute No. 202/24) to provide in-principle agreement to VPA terms.

Draft VPAs have now been prepared for both the Calala BESS and Thunderbolt Wind Farm in accordance with Council’s in-principle agreement and the provisions of the EP&A Act.

It is recommended that Council endorse the public exhibition of the Draft VPAs for Calala BESS and Thunderbolt Wind Farm, for a period of 28 days, with a subsequent report to be provided to a future Meeting of Council detailing the outcomes of this public exhibition.

(a) Policy Implications

No change is proposed to Council’s adopted policy.

(b) Financial Implications

The two Draft VPAs considered in this report will provide nearly \$5.4 million of funds to the community through monetary contributions to Council and separately managed community benefit funds.

(c) Legal Implications

VPAs are a legal document that Council would be a party to which would apply to the land for the life of the development. Council’s obligation would continue for that period of time.

(d) Community Consultation

A Draft VPA must be publicly exhibited for 28 days in accordance with the EP&A Act prior to finalisation.

(e) Delivery Program Objective/Strategy

Focus Area 3 – Prosperity and Innovation

Focus Area 4 – Resilient and Diverse Communities

Focus Area 9 – Open and Collaborative Leadership

7 INFRASTRUCTURE AND SERVICES

7.1 PEEL RIVER ENVIRONMENTAL IMPROVEMENTS

DIRECTORATE: WATER AND WASTE
AUTHOR: Kate Perryman, Operations Environmental Officer
 Daniel Coe, Manager - Water and Environmental Operations

Reference: Item 8.2 to Ordinary Council 11 April 2023 - Minute No 72/23
 Item 6.1 to Ordinary Council 27 May 2025 - Minute No 113/25
 Item 8.1 to Ordinary Council 22 July 2025 - Minute No 168/25

RECOMMENDATION

That in relation to the report “Peel River Environmental Improvements”, Council:

- (i) receive and note the report; and*
- (ii) endorse the proposed grant funding application as detailed in the report.*

SUMMARY

This report provides Council an update on Peel River Environmental Improvements project commenced in 2023, and alignment of this project with the Yarriin: Culture, Fish and Flows – Galala (Paradise Weir) Case Study Project endorsed by Council in 2025. The report also provides details of grant funding applications submitted under the Commonwealth Environmental Activities Fund by NSW Department of Primary Industries Fisheries in partnership with Council and other key stakeholders.

COMMENTARY

Council at its Meeting of 27 May 2025, resolved to support a Notice of Motion regarding the *Tamworth Cultural Watering Place Case Study*, developed in partnership with Kamilaroi community members and the NSW Department of Primary Industries and Regional Development. Council agreed to allocate staff resources to prepare a draft action plan for the implementation of the recommendations and actions provided in the study.

At its Meeting of 22 July 2025, Council considered a further report that aligned existing Peel River improvement initiatives adopted by Council with the Yarriin: Culture, Fish and Flows – Galala (Paradise Weir) Case Study Project. The alignment of both project initiatives was presented to Council as detailed in the following table.

	Peel River Environmental Improvements Recommendation	Corresponding Yarriin Waterways Case Study Objective(s)
1	Traffic & parking study to determine informal use and needs on the western side of the river	Objective 1 - Kamilaroi/Gamilaroi/ Gomeroi Gamilaraay people continue to care for Country, taking the lead on caring for country projects.

2	Pedestrian & bike movement study between CBD and river, including crossing points and levee access	Objective 1 - Kamilaroi/Gamilaroi/ Gomeroi Gamilaraay people continue to care for Country, taking the lead on caring for country projects.
3	Waterway rehabilitation assessment and management plan to support ecology during typical and low flow	Objective 2 - Kamilaroi/Gamilaroi/ Gomeroi/Gamilaraay knowledge and science are integrated into native guya management decisions and practice. Objective 3 - Kamilaroi/Gamilaroi/ Gomeroi/Gamilaraay people have a voice in decisions and are partners in guya management in the Peel valley.
4	Strategic land zone assessment of existing uses and potential waterway zoning	Objective 3 - Kamilaroi/Gamilaroi/ Gomeroi/Gamilaraay people have a voice in decisions and are partners in guya management in the Peel valley.
5	Community survey on interest in festivals/events or upscaling existing ones	Objective 1 - Kamilaroi/Gamilaroi/ Gomeroi/Gamilaraay people continue to care for Country, taking the lead on caring for country projects.
6	Water-based garden with boardwalk as a side project	Objective 4 - Knowledge is shared and Kamilaroi/Gamilaroi/Gomeroi/Gamilaraay maintain cultural practice on Country (education, both ways, for all).
7	Flying Fox habitat management using targeted tree planting (e.g. White Box)	Objective 2 - Kamilaroi/Gamilaroi/ Gomeroi/Gamilaraay knowledge and science are integrated into native guya management decisions and practice. Objective 3 - Kamilaroi/Gamilaroi/ Gomeroi/Gamilaraay people have a voice in decisions and are partners in guya management in the Peel valley.
8	Ground-based survey of native vegetation and potential threatened species habitat	Objective 2 - Kamilaroi/Gamilaroi/ Gomeroi/Gamilaraay knowledge and science are integrated into native guya management decisions and practice. Objective 3 - Kamilaroi/Gamilaroi/ Gomeroi/Gamilaraay people have a voice in decisions and are partners in guya management in the Peel valley.

By aligning the projects, it was considered there would be a greater opportunity for grant funding to be realised from either State and/or Commonwealth Governments. In addition, it

is considered the overall project will provide potential opportunity to work with universities in respect to ongoing environmental studies and management programs for the river.

Since the report to Council in July 2025, Council staff have continued work on the following Peel River improvement projects:

- Revitalisation of Jewry Park

Council has previously resolved to remove an area of land from the lease of 6-44 Britten Road. Historically, the property was used as an effluent disposal area as part of the former Swan Street Wastewater Treatment Plant. The excised portion of land is shown in the plan below adjacent to Jewry Street parkland:



Previous reports presented to Council identified the opportunity for revitalising Jewry Park, including controlling vehicle access and providing formalised parking with visibility and access to the Peel River. It was recommended that Council engage a consultant to prepare design options for Council consideration in relation to extending and improving Jewry Street Park. This work will incorporate the previously leased sewer operational land and will also consider options for rehabilitating the existing causeway within the river. This project was estimated to cost \$100,000 and to be funded by the sewer reserve.

To develop a conceptual masterplan for the site, Council staff engaged with local stakeholders/users of the area including Tamworth Regional Landcare Association, OzFish, local fishing clubs, the Tamworth Local Aboriginal Land Council Rangers, and NSW Department of Primary Industries (DPI) Fisheries to collaboratively identify priority areas for enhancement and inform the development of the conceptual Jewry Street Park masterplan. A conceptual plan has been developed and the project has been placed on hold awaiting suitable grant funding to become available. Once suitable grant funding becomes available, a further report would be prepared for Council's consideration.

Some preliminary site works have already been undertaken, including vegetation slashing and the installation of concrete blocks to restrict unauthorised vehicle access at the western end of the site. In response to identified public safety risks associated with river access, informal tracks, and changing river conditions, new safety signage has been developed and will be installed during May 2026. To exclude unauthorised vehicular access to the property,

bollards will be installed on the property boundary of sewer owned land adjacent to Jewry Street Park on the alignment shown in the below image.



The bollards will replace rural fencing that was damaged over the past few years during major flooding events. Rather than replace with rural fencing, bollards will be installed to allow public pedestrian access to the area, but prevent unauthorised vehicle access to sensitive river and park areas. The bollards will match the style used at adjacent sporting fields to maintain a consistent appearance; however, crossbars will be omitted to reduce debris build-up during flood events and to allow access for grounds maintenance i.e. mowing. The bollards are planned to be installed in May 2026.

- Restoration or Removal of Jewry Street Causeway



At its meeting of 22 July 2025, Council resolved to allocate \$40,000 from Council's general fund and address the failing former Jewry Street causeway. The works align with the recommendations of the Peel River environmental improvements endorsed by Council. The removal of the causeway had the following environmental objectives;

- reduce active erosion of the riverbank;
- improved river flow and connectivity during low flow periods;
- restore riparian habitat condition; and
- restored the fish passage upstream

The causeway was successfully removed in November 2025, within the allocated budget. Before and post works photographs are provided below.



Potential Grant Funding Opportunities

Council staff have established regular meetings with DPI Fisheries staff and other stakeholders including Tamworth Local Aboriginal Lands Council (LALC), Tamworth Local Lands Service (LLS), Landcare and OzFish to better understand the study and identify opportunities for State and/or Commonwealth funding to achieve Council's objectives for the Peel River.

A joint Expression of Interest for the Commonwealth Environmental Activities Fund was submitted in July 2025, by DPI Fisheries in partnership with Council, Tamworth LALC, Tamworth LLS, Landcare and OzFish.

The project objectives included;

- restoring Galala as a cultural and educational river space through improved access, community use, and knowledge-sharing activities,
- supporting the return of cultural fishing practices for Gomeri people,
- improving fish passage, protecting native species, and enhancing river habitat and vegetation,
- providing educational resources, cultural signage, and bilingual materials on fishing practices and river knowledge,
- enhancing recreational fishing amenities such as access points and facilities,
- mapping and protecting key native fish habitats, and

- building community capacity and involvement in project design, delivery, and governance.

The Expression of Interest was deemed unsuccessful in February 2026; however, the Commonwealth has invited DPI Fisheries to submit a revised application, with resubmission due in mid-May 2026. As the project lead, DPI Fisheries staff have met with Commonwealth grant submission reviewers to determine opportunities to improve the grant application. These include more defined project scope and objectives that align with the grant program structure. It is considered the proposed project inclusions within the grant and associated objectives have not changed the intent/aims of the original submission with Council providing staff time allocation as an in kind contribution to the grant funding.

A draft of the amended grant application is currently being prepared by DPI Fisheries for review by Council staff for prior to the lodgement in May 2026.

(a) Policy Implications

Nil

(b) Financial Implications

Council has committed staff resources to progress the initiatives outlined in this report. Delivery of key components, including river rehabilitation and park improvements, will be subject to the availability of external grant funding. It is anticipated that financial contributions from State and/or Federal Government programs will be required for substantive on-ground works. Further reports will be provided to Council as funding opportunities are pursued and project elements are refined.

(c) Legal Implications

Nil

(d) Community Consultation

Council is working collaboratively with NSW Department of Primary Industries Fisheries and local community groups to support grant funding applications and inform on-ground works.

Should grant funding be secured, Council will continue to work in partnership with NSW Department of Primary Industries on this project. This will include ongoing consultation with the community, including relevant cultural and interest groups, to ensure project outcomes align with community expectations and to strengthen future funding opportunities. This approach is considered critical to achieving successful project outcomes

(e) Delivery Program Objective/Strategy

Focus Area 6 – Working With and Protecting Our Environment

7.2 RURAL FIRE SERVICE KOOTINGAL BRIGADE SHED EXTENSION

DIRECTORATE: REGIONAL SERVICES
AUTHOR: Murray Russell, Manager - Operations
Angie Taylor, Operations Engineer

RECOMMENDATION

That in relation to the report “Rural Fire Service Kootingal Brigade Shed Extension”, Council authorises the General Manager to allocate \$80,000 from Parry Bushfire

Reserve (Section 7.11 developer contributions-funded) for the purposes of an extension to the existing Kootingal RFS brigade station.

SUMMARY

This report seeks Council approval for the Kootingal Brigade of the NSW Rural Fire Service (RFS) to utilise developer contributions for the extension of their shed as part of their 2026/27 program of works.

COMMENTARY

Tamworth Regional Council has been approached by the NSW RFS to seek approval to access developer contributions to fund the extension of the Kootingal Brigade Station, located at 1782 New England Highway, Moonbi, NSW 2353 (Lot 15 DP 1188560), which is land owned by Council. Figure 1 below shows the site location.

Figure 1: Site location



The scope of works includes a shed extension to house a new 4x4 pumper which addresses structural fire in addition to other risks such as transport and bushfire.

From the commencement of the project, the Kootingal Brigade have expended approximately \$68,000 of its own funds on early works and anticipates the remaining project costs to be approximately \$110,000. The Kootingal Brigade are requesting to access \$80,000 of developer contributions which Council proposes to fund from the Parry Bushfire Reserve (current balance of this reserve is \$200,000). The Kootingal Brigade plan to fundraise the balance of the required funding.

Funds in the Parry Bushfire Reserve have been collected from development across the former Parry Shire area over many years. These funds are for the specific purpose of

assisting the RFS to upgrade their facilities in order to improve their response to fires in those locations. The proposed station upgrade is consistent with this purpose.

(a) Policy Implications

Nil

(b) Financial Implications

The financial implication to Council is a reduction in the balance of the Parry Bushfire Reserve by \$80,000 but this is counteracted by ongoing developer contributions to the reserve through the Section 7.11 developer contributions process.

(c) Legal Implications

Nil

(d) Community Consultation

No community consultation required for the project as it is an extension to an existing facility with no impact on the general public.

(e) Delivery Program Objective/Strategy

Focus Area 4: Resilient and Diverse Communities

Focus Area 6: Working with and Protecting Our Environment

7.3 HEADWORKS CHARGES - DA2026-0002 CONSTRUCTION OF NEW CHANGE ROOMS NORTH COMPANIONS FOOTBALL CLUB - MARIUS STREET TAMWORTH

DIRECTORATE: WATER AND WASTE
AUTHOR: Bruce Logan, Director - Water and Waste

RECOMMENDATION

That in relation to the report “Headworks Charges - DA2026-0002 Construction of New Change Rooms North Companions Football Club - Marius Street Tamworth”, Council NOT waive the headworks charges levied on the development of the new change rooms (DA 2026-0002)

SUMMARY

The purpose of this report is to seek direction from Council in relation to the levying of water and sewer headworks charges associated with the development of new change rooms by the North Companions Football Club at the Club’s home ground in Marius Street Tamworth.

COMMENTARY

The North Companions Football Club pay a lease to Council to utilise the Council owned sporting fields in Marius Street Tamworth as its home ground. The lease includes the sporting fields, change rooms and canteen. Other Clubs, members of the public may book the use of the facilities but they do so by contacting North Companions and any fees payable for this use are payable to North Companions.

The existing change rooms at the site were identified as unsatisfactory due to age, size and the inability to accommodate female players. Council staff assisted North Companions in applying for a grant under the Play Our Way grant funding program for the construction of a new larger change room facility. The application was successful, however, the amount of the grant, approximately \$250,000, was not sufficient to construct the new facility using Council’s

Wastewater \$9,365.78

A condition of the development consent is that these headworks charges must be paid prior to the issue of a construction certificate – i.e. before construction can commence.

Councillors would be aware headworks charges are levied on all development to partially contribute to the cost of Council (the community) upgrading the water and/or wastewater system to cater for the increase in demand placed on these systems by the development.

Representatives of the North Companions Football Club have approached the Mayor and requested Council waive the headworks charges levied because:

- the payment of headworks charges was not allowed for in the original grant application,
- there is insufficient funds available to pay the headworks charges and complete the construction of the new changeroom,
- the new changeroom is located on Council's own land, so will be an asset of Council's,
- the club is building the new facility using volunteer labour, and
- the Club is a not-for-profit community-based football club so in essence members of the community will be paying the headworks charges anyway.

Whilst there is some sympathy for the position as stated by the Football Club Council may also like to consider the following:

- Council should apply a consistent approach to the payment of headworks – Council's present policy does not allow certain development to not pay headworks charges;
- Council's own developments all pay headworks charges, including, for example, the new aquatic centre and the change room upgrade at No 1 Oval. Clearly the community is paying these costs;
- North Companions has the opportunity to lease out the facilities and accept payment from lessees. The new change rooms may allow North Companions to increase the fee it charges for any use of facility and/or the desirability of the facility for leasing increases in the future; and
- should Council agree to waive the charges then all members of the community, not just soccer players, are subsidising the cost of the construction of the change rooms.

Only the elected Council can set aside an adopted Council policy and, in this case, waive, or reduce, headworks charges payable. Whilst Council is of course open to do so, on balance it is considered the need for a consistent approach to the levying of headworks charges and the other points detailed above, override the reasons given to waive the charges and, as a result, it is recommended Council not waive the headworks charges associated with this development.

(a) Policy Implications

The calculation and levying of headworks charges is dictated by relevant Council policies. Only the elected Council can set aside an adopted Council policy and for example waive or reduce headworks charges payable.

(b) Financial Implications

The levied headworks charges are:

Water	\$13,655.84
Wastewater	\$9,365.78

Should Council wish to waive these charges then this forgone income will have to be funded by the community in the future, when upgrades of water and/or wastewater infrastructure is required.

(c) Legal Implications

Nil

(d) Community Consultation

Nil

(e) Delivery Program Objective/Strategy

Focus Area 9 – Open and Collaborative Leadership

7.4 NEW DUNGOWAN PIPELINE EASEMENT ACQUISITION - DEED OF VARIATION TO MEMORANDUM OF UNDERSTANDING

DIRECTORATE: WATER AND WASTE
AUTHOR: Daniel Coe, Manager - Water and Environmental Operations
Reference: Item 8.3 to Ordinary Council 25 January 2022 - Minute No 18/22
Item 12.5 to Ordinary Council 22 February 2022 - Minute No 56/22
Item 8.2 to Ordinary Council 12 July 2022 - Minute No 206/22
Item 12.5 to Ordinary Council 9 May 2023 - Minute No 97/23
Item 8.5 to Ordinary Council 28 November 2023 - Minute No 295/23
Item 8.2 to Ordinary Council 26 August 2025 - Minute No 206/25

1 CONFIDENTIAL ENCLOSURES ENCLOSED

RECOMMENDATION

That in relation to the report “New Dungowan Pipeline Easement Acquisition - Deed of Variation to Memorandum of Understanding”, Council:

- (i) receive and note the report; and*
- (ii) authorise the Director Water and Waste to execute the Deed of Variation to the Memorandum of Understanding for the new Dungowan Pipeline Easement Acquisition executed on 23 April 2024.*

SUMMARY

Construction of the first stage of the new Dungowan Pipeline, referred to as Stage 1 reached completion in November 2023. The pipeline was installed from the Calala Water Treatment Plant (CWTP) to the Chaffey Dam Pipeline connection point near the Dungowan Recreation Ground. The pipeline was successfully commissioned in September 2023, with the new pipeline section delivering water directly to the CWTP via raw water balance tanks

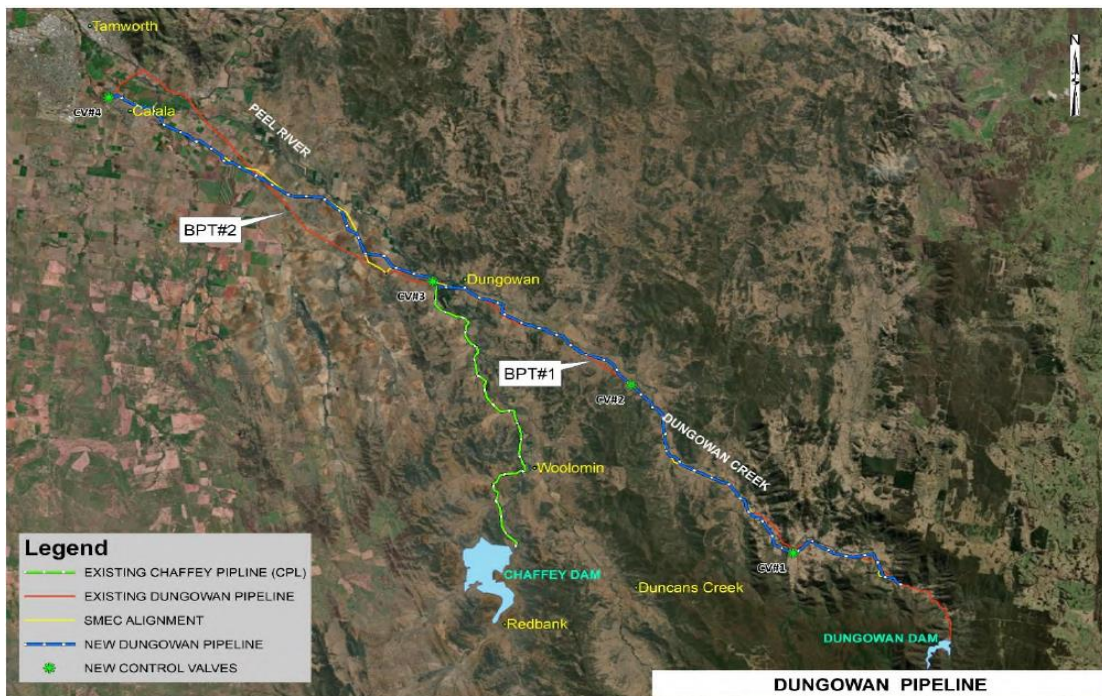
and also delivering water to the raw water storage dam located at the CWTP.

The new Dungowan Pipeline asset was vested to Council ownership from the NSW Government on 26 June 2025, with notice provided to Council on 2 July 2025. Following completion of the new pipeline, a Memorandum of Understanding (MOU) was signed with the NSW Department of Climate Change, Energy, the Environment and Water (DCCEEW). The MOU provides details on the easement acquisition process and responsibilities of both parties. DCCEEW are responsible for the project management of acquiring easements including all engagement and negotiation with property owners. All costs associated with the easement acquisition will be funded by DCCEEW. The MOU requires Council, as the asset owner, to be responsible for initial compensation payment, however, this is reimbursed by DCCEEW in accordance with terms established in the MOU.

This report discusses a proposed Deed of Variation to the MOU in which DCCEEW propose to vary the MOU. The proposed variation includes DCCEEW providing an up front payment of \$1.55M to Council to make relevant payments associated with easement acquisition. In addition, DCCEEW propose to provide Council an allowance of up to \$25,000 for Council’s operational costs and expenses associated with the administration of the Deed of Variation funding requirements.

COMMENTARY

As previously reported to Council, the construction of the first stage of the new Dungowan Pipeline, referred to as Stage 1 reached completion in November 2023. The pipeline installation occurred from the Calala Water Treatment Plant (CWTP) to the Chaffey Dam Pipeline connection point near the Dungowan Recreation Ground as detailed in the plan below.



The pipeline was successfully commissioned in September 2023, with the new pipeline section delivering water directly to the CWTP via raw water balance tanks and also delivering water to the raw water storage dam located at the CWTP.

The new Dungowan Pipeline asset was vested to Council ownership on 26 June 2025, with notice provided to Council on 2 July 2025.

Easement Acquisition

Given the uncertainty of long-term asset ownership when the new Dungowan Dam and Pipeline Project commenced and to allow construction commencement, DCCEEW entered into construction leases with all impacted properties i.e. those properties the new pipeline traversed. On commissioning completion of the new Dungowan Pipeline these leases converted to a three-year operating licence to allow the acquisition of easements of the new pipeline assets including slip lined assets and building compounds.

The construction leases were executed between DCCEEW and impacted landowners to provide property access for pipeline construction and commissioning. Leases provided payment for annual land rent, a one-off signup fee, legal costs, and construction disturbance payment. All costs were borne by the project and DCCEEW.

All construction leases terminated as of 18 September 2023, and converted to operational licences to allow DCCEEW and Council access to properties to operate and maintain the pipeline. In accordance with these licences, DCCEEW pay the landowner an annual rent. Easement terms including widths were included in the construction leases and are proposed to be 10 metres in width over pipeline assets. The operational licences have a maximum term of three years on similar terms to the construction lease and will expire in October 2026, or once an easement has been established. The primary purpose of this three-year period was to allow for the acquisition of easements for the new Pipeline assets. Given the timeframe taken to vest the pipeline assets to Council, all easements may not be able to be acquired prior to operational licences expiring in October 2026. DCCEEW are currently reviewing options for extending licences in the event this is required.

Also as previously reported to Council, DCCEEW does not have appropriate legal authority to compulsorily acquire easements if agreement cannot be reached with impacted landowners. As Council does have such powers, a MOU was executed with DCCEEW on 23 April 2024, to facilitate the easement acquisition process. The MOU provides details on the easement acquisition process and responsibilities of both parties. DCCEEW are responsible for the project management of acquiring easements including all engagement with property owners. All costs associated with the easement acquisition will be funded by DCCEEW. The MOU requires Council, as the asset owner, to be responsible for initial compensation payment, however, this is reimbursed by DCCEEW in accordance with terms established in the MOU.

DCCEEW have been working on easement acquisition since late 2025, and is progressing acquisition with all effected properties. To assist the acquisition process, DCCEEW are proposing to amend the original MOU executed for the easement acquisition through a 'Deed of Variation' to the original MOU. The intent of the original MOU remains unchanged with DCCEEW continuing to project manage and fund all associated costs, however, DCCEEW are proposing to transfer project funding to Council in the form of an upfront payment of \$1.55M. Council would then use this funding to pay all costs associated with the easement acquisition. This changes the current approach of Council drawing on its own funds to pay acquisition costs and requesting reimbursement from DCCEEW. It is considered that the proposal from DCCEEW will improve the effectiveness of the transaction process, however, the provision of the funds is similar to grant funding and will require additional administrative effort from Council. During the review of the proposed variation, Council staff raised this issue with DCCEEW and the variation was amended to include reimbursement of Council's operational costs and expenses up to an amount of \$25,000.

The Deed of Variation and original MOU deals with surplus or additional funding requirements i.e. should the allocated \$1.55M grant funding not be sufficient, DCCEEW must contribute additional funding to finalise the project, in the event the project is completed with surplus funding provided to Council, Council must return the unspent funding.

Overall, it is considered that the 'Deed of Variation' will improve the efficiency of easement acquisition and allows for Council to claim administration costs, which the current MOU does not provide. The proposed Deed of Variation of Memorandum of Understanding for the Dungowan Pipeline Project is **ENCLOSED**, refer **CONFIDENTIAL ENCLOSURE 1**.

(a) Policy Implications

Nil

(b) Financial Implications

In accordance with the proposed Deed of Variation, DCCEEW will continue fund all costs for project managing easement acquisition. The current approach of Council having to fund the initial payment for easement acquisition and request reimbursement of these costs from DCCEEW in accordance with the executed MOU will be changed as follows:

- DCCEEW will provide Council an upfront payment of \$1.55M to pay all easement acquisition costs. Any unspent funds will be required to be returned to DCCEEW. Should the project costs exceed \$1,55M, DCCEEW will be required to provide additional project funding to Council, and
- Council can claim operational costs and expenses incurred up to an amount of \$25,000.

(c) Legal Implications

The Deed of Variation will be a legally binding agreement between Council and DCCEEW.

(d) Community Consultation

As per the adopted easement acquisition Negotiation Protocol, DCCEEW are required to undertake an extensive property owner engagement including in person discussion with property owners regarding easement acquisition. This will be conducted in accordance with the principles of Council's Communication Strategy.

(e) Delivery Program Objective/Strategy

Focus Area 1 – Our Water Security

7.5 WASTE MANAGEMENT FACILITIES - ANZAC DAY PUBLIC HOLIDAY OPENING

DIRECTORATE: WATER AND WASTE

AUTHOR: Doug Hughes, Manager - Waste & Resource Recovery

RECOMMENDATION

That in relation to the report "Waste Management Facilities - ANZAC Day Public Holiday Opening", Council agree that for future years when ANZAC day:

- (i) falls on a weekday and the public holiday coincides with ANZAC day, regional waste facilities will close, the Forest Road Waste Facility will open with reduced staff numbers and only accept waste from Councils' kerb side collection; and*
-

- (ii) falls on the weekend and the public holiday is on a different weekday, all waste facilities including Forest Road will close on ANZAC day itself and all facilities will open as normal/rostered on the allotted public holiday.***

SUMMARY

This report seeks direction from Council in relation to the possible future closure of Council's waste facilities on ANZAC Day (25 April) in recognition of its national significance and alignment with community expectations.

COMMENTARY

Tamworth Regional Council operates 11 waste management facilities in our LGA. They consist of:

Landfills:

- Forest Road Waste Management Facility,
- Barraba; and
- Manilla

Small Vehicle Transfer Stations:

- Bendemeer;
- Dungowan;
- Duri;
- Kootingal;
- Niangala;
- Nundle;
- Somerton; and
- Watsons Creek.

These facilities are open at various days of the week. The exception for opening is if the scheduled opening day falls on one of three significant public holidays, being:

- Good Friday – closed for all sites
- Christmas Day – closed for all sites; and
- New Year's Day – closed for all sites

Please note that Council facilities also close early on Christmas Eve (half day).

When any of the above stated days falls on a weekday, Council kerbside collection activities still occur and a reduced operational team is required at Forest Road Waste Management Facility only to process this waste stream. The facility remains closed to any public or commercial activity.

In previous years, Council has opened all scheduled facilities on ANZAC Day. Patronage over the last three years has been:

Facility	2024 (Thursday)	2025 (Friday)	2026 (Saturday)
Forest Road Waste Management Facility	77	124	73
Manilla Landfill	Not open	14	Not open
Barraba Landfill	Not open	3	Not open
Watsons Creek	Not open	Not open	1
Niangala	Not open	Not open	3
Kootingal	Not open	Not open	5
Bendemeer	Not open	Not open	1

Following the most recent ANZAC day commemoration some feedback has been received from staff and members of the public about Council's waste facilities being open on ANZAC day. Following further consideration it is proposed in future ANZAC day is added to the list of significant public holidays when waste facilities will close for the following reasons:

- Cultural and Community Expectations:
 - ANZAC Day holds deep cultural significance, and there is strong public expectation that organisations demonstrate respect by limiting operations;
 - waste facilities are highly visible public services and remaining open may be perceived as inconsistent with community values on this day; and
 - closure aligns the organisation with other government agencies and private-sector businesses that cease operations on ANZAC Day.
- Workforce Wellbeing and Participation:
 - closing the facility enables staff to attend dawn services, marches, and community events without requiring special leave arrangements;
 - it supports employee morale by recognising the importance of national commemoration; and
 - reduced staffing availability on public holidays often leads to operational inefficiencies and increased overtime costs.
- Reputational and Community Relations Benefits:
 - demonstrating respect for ANZAC Day reinforces the organisation's commitment to community values; and
 - closure reduces the risk of negative public perception or complaints regarding operations on a day of national remembrance.

When ANZAC day itself (25 April) falls on the weekend a public holiday may be declared on an adjacent week day. To accommodate this it is proposed, when ANZAC day:

- (i) falls on a weekday and the public holiday coincides with ANZAC day, regional facilities will close and the Forest Road facility will open with reduced staff numbers and only accept waste from Councils' kerb side collection; and

- (ii) falls on the weekend and the public holiday is on a different weekday, all facilities including Forest Road will close on ANZAC day itself and all facilities will open as normal on the allotted public holiday.

Should Council agree with the recommendation, a public notification via website, social media, and onsite signage at least two weeks prior to ANZAC day will occur. Coordination with commercial operators will occur, to ensure awareness of closure.

(a) Policy Implications

Nil

(b) Financial Implications

The financial impact of closing for one day is minimal due to historically low usage on public holidays. Savings from reduced staffing, penalty rates, and operational overheads offset the minor loss of gate revenue. No long-term financial disadvantage is anticipated.

(c) Legal Implications

Nil

(d) Community Consultation

Nil

(e) Delivery Program Objective/Strategy

Focus Area 7 – Celebrate our cultures and heritage

7.6 SHEBA DAM SPILLWAY AND CHANNEL REMEDIATION - REQUEST TO LOWER SPOIL DISPOSAL CHARGES

DIRECTORATE: WATER AND WASTE
AUTHOR: Bruce Logan, Director - Water and Waste

1 ANNEXURES ATTACHED

RECOMMENDATION

That in relation to the report “Sheba Dam Spillway and Channel Remediation - Request to Lower Spoil Disposal Charges”, Council agree to lower the gate fee associated with the disposal, at Council’s Forest Road Waste Management Facility, of contaminated waste removed as part of the Sheba Dam Spillway and Channel remediation project to be completed by NSW Crown Lands, Department of Planning Housing and Infrastructure, and/or its nominated contractor by 25%.

SUMMARY

Council has been approached by NSW Crown Lands, Department of Planning Housing and Infrastructure, in relation to a project the department is undertaking at Sheba Dam, Hanging Rock, to remediate the existing spillway at the upper dam and the channel between the upper and lower dams.

Tests of the soil to be removed as part of this work indicates high levels of Nickel and total Chromium which necessitates disposal at a landfill licensed to accept such waste. Council’s Forest Road Waste Management Facility is the only landfill in the vicinity licensed to accept

such waste.

Given the estimated quantity of spoil to be generated and applying the disposal gate fee for this type of waste in Council's adopted 2025-2026 fees and charges would see the total cost of disposal of the spoil of approximately \$300,000.

Crown Lands has requested Council consider lowering the gate fee charges for this waste for this project.

COMMENTARY

The NSW Government's Department of Crown Lands, Department of Planning Housing and Infrastructure, is undertaking rehabilitation and upgrade of the spillway at the upper Sheba Dam, Barry Road Hanging Rock and of the channel between the upper and lower dams.

Plans of the work to be undertaken have been provided and the document is **ATTACHED**, refer **ANNEXURE 1**.

Advice from Crown Lands is that tests undertaken on the spoil to be removed as part of this work indicates the spoil contains high levels of Nickel and total Chromium and as a result the spoil cannot be stockpiled on site or used anywhere else, it must be disposed of at a facility licensed to accept such waste. Council's Forest Road Waste Management Facility is the closest such facility.

Under Council's adopted 2025-2026 fees and charges the cost per tonne of disposal of this type of material is listed as \$170/Tonne. The fees and charges do not discriminate between large and small volumes of material. Advice from Crown Lands is based on the estimated quantity of material to be removed the cost of disposal at Forest Road, the total cost of disposal alone will be approximately \$300,000.

Crown Lands has asked Council if it would be possible to lower the gate fee for disposal of this material given the large quantity of material to be disposed of.

Only the elected Council can set aside a fee or charge once it has been formally adopted by Council.

Council usually only receives small quantities of contaminated material for disposal at the Forest Road facility. The gate fee of \$170 per tonne reflects the cost to Council of preparing a site for disposal, work to incorporate the disposed material in the landfill itself and future remediation and maintenance activities.

Staff have calculated the cost of disposal of this quantity of material and also considered the community beneficiation impact. Based on these factors, Council is requested to consider a fee reduction of 25% for the contaminated material.

Should Council agree, future fees and charges will include the opportunity for the gate fee for disposal of large quantities of contaminated waste to be negotiated by staff without reference to the elected Council.

(a) Policy Implications

Nil

(b) Financial Implications

Should Council agree with the recommendation and on this occasion lower the cost of disposal for the subject waste for the subject project then Council will forgo approximately \$75,000 in revenue.

Subject to the approval of Council in the future it is proposed to include in Council's adopted fees and charges the opportunity for the fee for disposal of large quantities of contaminated waste to be negotiated by staff.

(c) Legal Implications

Nil

(d) Community Consultation

Nil

(e) Delivery Program Objective/Strategy

Focus Area 6 – Working with and protecting our environment

7.7 REGIONAL WATER NETWORK LEAK DETECTION PROGRAM

DIRECTORATE: WATER AND WASTE

AUTHOR: Daniel Coe, Manager - Water and Environmental Operations

RECOMMENDATION

That in relation to the report “Regional Water Network Leak Detection Program”, Council receive and note the report.

SUMMARY

This report provides Council a summary of water network leak detection undertaken in Attunga, Barraba, Bendemeer and Manilla in March 2026, as part of the NSW Governments Active Water Leak Detection Program.

COMMENTARY

The NSW Department of Climate Change, Energy, the Environment and Water (DCCEEW) has been implementing an Active Leak Detection Program within NSW since 2022. The program involves specialist water network leak detection contractors undertaking ground surveying to identify water leaks using acoustic technologies i.e., by using listening devices, water leaks can be identified and exact locations determined to allow repairs to be undertaken. The program has been implemented in over 60 regional Council areas throughout NSW since 2022, identifying more than 7,500 megalitres per year in water savings. Council has previously participated in the program undertaking water leak detection of all of its regional water networks in 2022 and Tamworth, Kootingal and Moonbi in 2025.

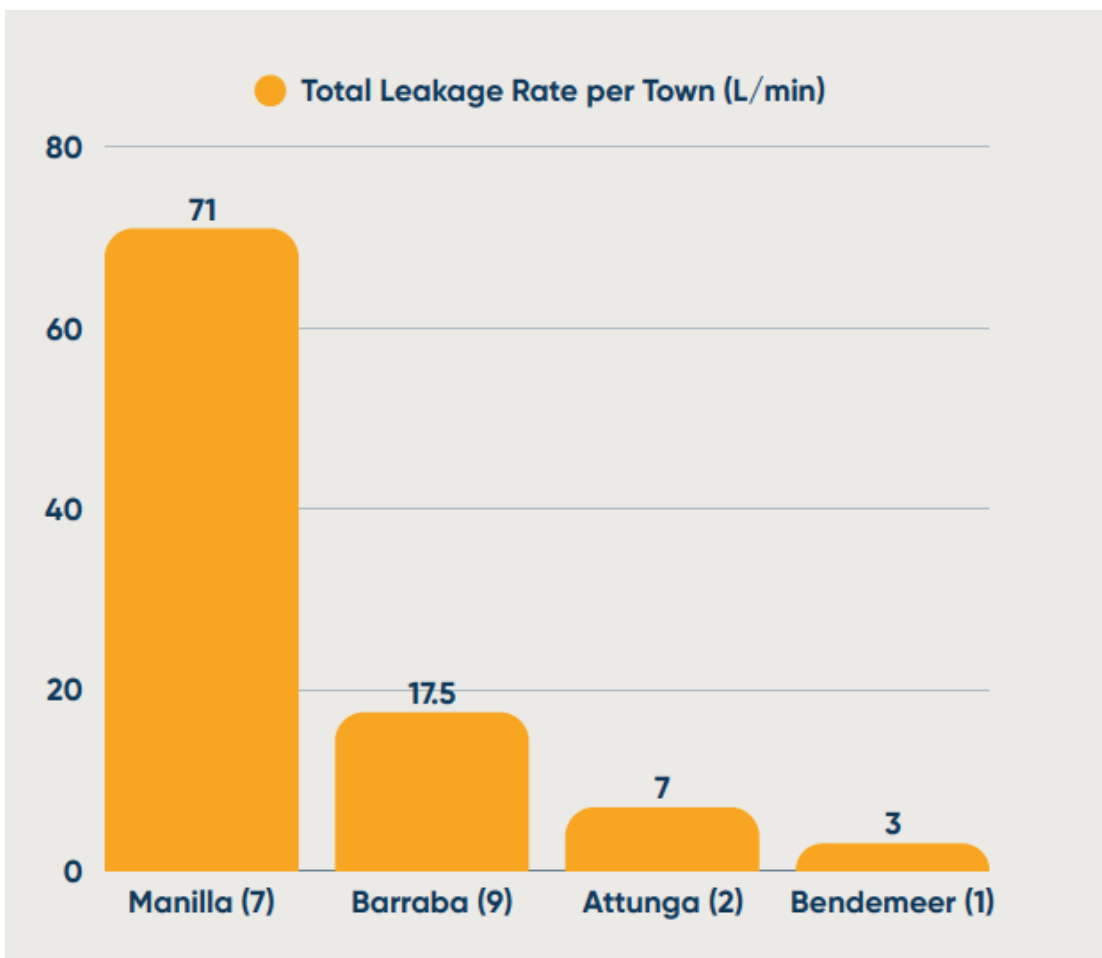
Funding for the Active Leak Detection Program will end as of 1 July 2026, and it is unclear if a similar program will be funded by the NSW Government in the future. To take advantage of the program, Council requested that its water networks in Attunga, Barraba, Bendemeer and Manilla be part of the program as the work performed during 2022, was prior to the rollout of Council's automated water metering program. Since the implementation of automated metering, staff have developed almost real time monitoring for network water leaks comparing water treatment production data against metering data on a daily basis. The purpose of checking networks was to confirm the networks had no unidentified leaks. This monitoring identified that Nundle had very low water losses and therefore Nundle was not included in the requested program.

Council’s request was approved and leak detection was undertaken for Attunga, Barraba, Bendemeer and Manilla between 29 and 31 March 2026. Leak detection was undertaken on approximately 79.2 kilometres of water mains by specialist contractor Aqua Analytics. The project was fully funded by the NSW Government with Council providing resources to assist in delivering the project. Any required leak repairs will be performed by Council operators at Council’s cost.

A summary of the project outcomes follows:

- total leaks identified = 19 with total leak volume 98.5 litres per minute;
- network leaks (prior to water meter) = 15 with a total leak volume 95.5 litres per minute. It should be noted that a known leak in Manilla contributed to the majority of water losses i.e. 60L per minute. This leak was known to staff at the time of network leak detection occurring and was in the process of being repaired.
- customer side leaks (post water meter) = 4 with a total leak volume 3 litres per minute.

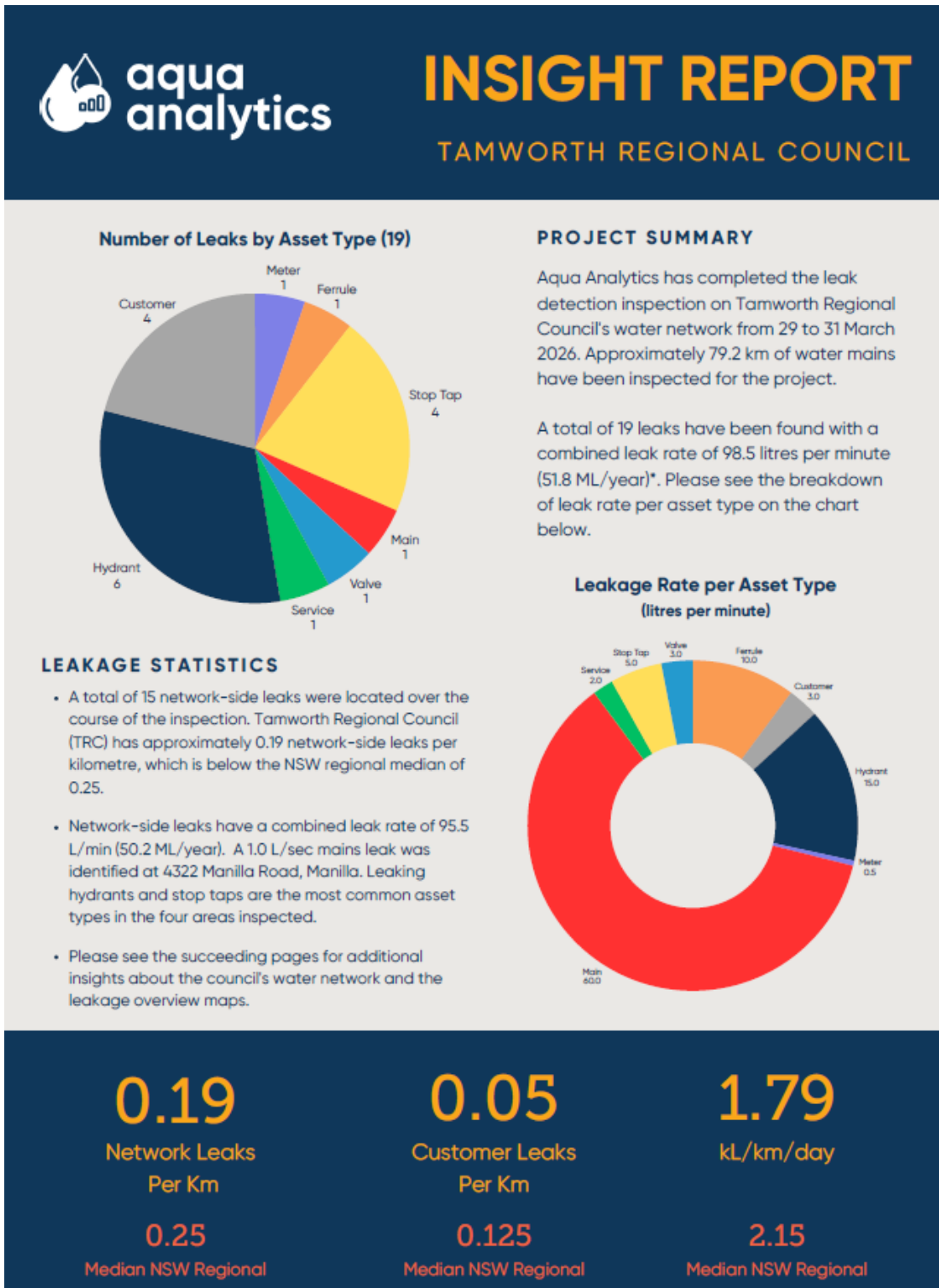
A summary of leakage rate by water supply is provided below:



Note manilla unknow losses approximately 11 litres per minute.

All identified network leaks have been allocated to operations staff for repairs. Customer side leaks had previously been identified through Council’s automated water meter customer potential leak alert and notifications system i.e. these properties have already received advice that their property has a potential water leak to be investigated.

The following project report summary was provided by Aqua Analytics.



As detailed in the report, the performance of Council's water network is significantly better i.e. lower number of leaks and water loss volume per kilometre of pipe than comparable regional areas. The report identified that that network leaks per kilometre of water main was approximately 25% lower than the median of other regional areas. In addition, the number of

customer leaks identified per kilometre of water main was significantly lower than the median of other regional areas. This provides assurance that Council's recent implementation of automated water meters and associated customer notification processes for advising of potential water leaks is achieving good results.

In respect to the total annual water loss, the total treated water produced in Attunga, Barraba, Bendemeer and Manilla last financial year was 582.16 megalitres. The identified annual network losses from the leak detection program was 50.2 megalitres per year. This represents approximately an 8.6% loss of all treated water produced in the past 12 months. If the known leak in Manilla (31.5 megalitres per year) is removed from the annual estimated water losses, the estimated annual losses is 18.7 megalitres per year or 3.2% of all treated water produced. Generally, industry best practice targets a network water loss or unaccounted water of less than 10%.

(a) Policy Implications

Nil

(b) Financial Implications

The project was funded by the NSW State Government at no cost to Council. Any leak repairs will be funded by existing water operations budget.

(c) Legal Implications

Nil

(d) Community Consultation

Nil

(e) Delivery Program Objective/Strategy

Focus Area 1 – Our Water Security

7.8 MEMBERSHIP OF THE MURRAY DARLING ASSOCIATION

DIRECTORATE: WATER AND WASTE

AUTHOR: Bruce Logan, Director - Water and Waste

Reference: Item 8.1 to Ordinary Council 11 October 2022 - Minute No 295/22

RECOMMENDATION

That in relation to the report "Membership of the Murray Darling Association", Council withdraw as a member of the Murray Darling Association

SUMMARY

The purpose of this report is to seek direction from Council in relation to Council's continued membership of the Murray Darling Association (MDA).

COMMENTARY

At its Meeting of 11 October 2022, Council agreed to become a member of the Murray Darling Association (MDA). The purpose of the MDA is to provide effective representation of Local Government and communities at State and Federal level in the management of

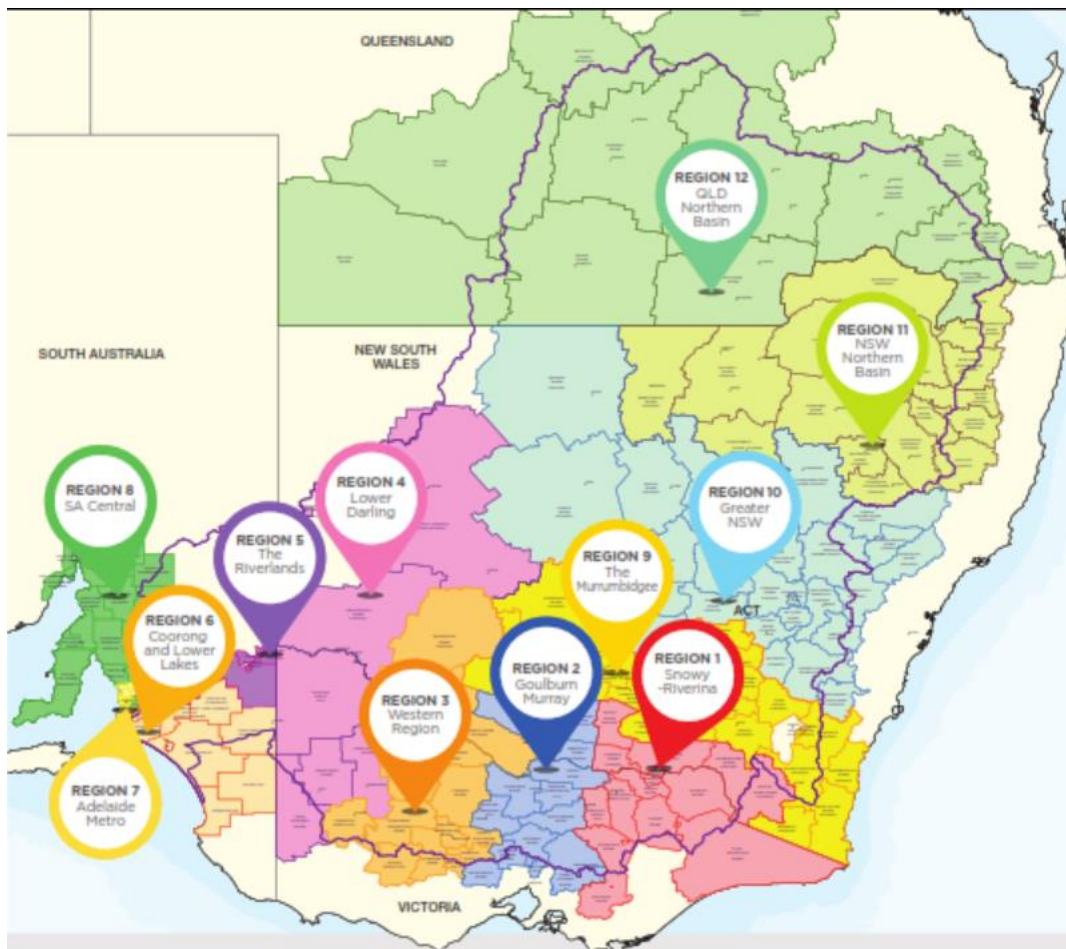
Basin resources by exchanging information, facilitating debate, and seeking to influence Government policy.

The MDA is broken up into 12 Regions – See map below. Tamworth Regional Council is a member of Region 11. Region 11 is the made up of the following financial member Councils:

<ul style="list-style-type: none">• Armidale Regional Council	<ul style="list-style-type: none">• Liverpool Plains Shire Council
<ul style="list-style-type: none">• Brewarrina Shire Council	<ul style="list-style-type: none">• Moree Plains Shire Council
<ul style="list-style-type: none">• Coonamble Shire Council	<ul style="list-style-type: none">• Narrabri Shire Council
<ul style="list-style-type: none">• Gunnedah Shire Council	<ul style="list-style-type: none">• Tamworth Regional Council
<ul style="list-style-type: none">• Gwydir Shire Council	<ul style="list-style-type: none">• Tenterfield Shire Council
<ul style="list-style-type: none">• Inverell Shire Council	<ul style="list-style-type: none">• Walgett Shire Council

In addition, Region 11 has the following eligible Councils who are not current financial members:

<ul style="list-style-type: none">• Glen Innes Severn Council	<ul style="list-style-type: none">• Walcha Council
<ul style="list-style-type: none">• Uralla Shire Council	



The Mayor, Councillor Russell Webb, was elected Chair of Region 11 on 16 May 2024, however, at the meeting of 5 November 2025, the Mayor stepped down and Councillor Robert Hoddle from Gunnedah Shire Council was elected Chair. The election of Councillor Hoddle as Chair also means Gunnedah Shire Council took over administrative duties for the Region.

Region 11 and Region 12 decided to prepare a joint submission in relation to the Murray Darling Basin Plan Review. During discussion concerning the review, it became apparent, the possibility of a pipeline from Keepit/Split Rock Dam to Tamworth to improve water security for Tamworth and Moonbi Kootingal, presently under investigation by the State Government, was a major issue for some of the member Councils in Region 11 and objection to this idea would be included in the submission prepared.

A draft submission from Region 11 and 12 was circulated to member Councils on 28 April 2026. Council representatives were asked to confirm, by close of business 28 April 2026, to meet deadlines for lodgement of the submission, whether their Council would sign off on the draft and the formal submission prepared from the draft. The Mayor, Cr Russell Webb, as Council's representative on Region 11, and Deputy Mayor, Cr Jeff Budd, discussed the draft submission with the Director Water and Waste and determined, for a number of reasons, Tamworth Regional Council would not sign the submission.

The diverse water priorities of Councils across the Murray Darling Basin means that arriving at an agreed set of priorities for the Murray Darling Association to pursue on behalf of member Councils was, and always will be, very difficult. As with the whole basin the same

can be said for the individual regions of the Association, where member councils also may not agree on priorities or approaches.

Moving forward, it is considered, the diverse range of views will continue, which will seriously impede the effectiveness of the Association in forming and promoting a coherent plan that meets the objectives of member Councils. Given this, Council is asked to consider whether Council's continued membership is warranted.

(a) Policy Implications

Nil

(b) Financial Implications

Presently the annual cost for a Council to be a member of the MDA is calculated based on population, with the fee capped at \$7,350 (Excl GST). Based on Council's population Council pays the capped amount.

(c) Legal Implications

Nil

(d) Community Consultation

Nil

(e) Delivery Program Objective/Strategy

Focus Area 9 – Open and Collaborative Leadership

8 GOVERNANCE, STRATEGY AND FINANCE

8.1 AUSTRALIAN INSTITUTE OF ABORIGINAL AND TORRES STRAIT ISLANDER STUDIES (AIATSIS) SUMMIT - GOLD COAST - 4 JUNE 2026

DIRECTORATE: OFFICE OF THE GENERAL MANAGER
AUTHOR: Karen Litchfield, Acting Executive Manager Strategy & Performance

1 ANNEXURES ATTACHED

RECOMMENDATION

That in relation to the report "Australian Institute of Aboriginal and Torres Strait Islander Studies (AIATSIS) Summit - Gold Coast - 4 June 2026", Council approve the attendance of Cr Sutherland to the Forum as a panel member.

SUMMARY

The purpose of this report is to approve the attendance of Cr Sutherland to attend the AIATSIS Summit at the Gold Coast on 4 June 2026.

COMMENTARY

Cr Sutherland has received an invitation to participate as a panel member at the Australian Institute of Aboriginal and Torres Strait Islander Studies (AIATSIS) Summit on 4 June 2026 at the Gold Coast.

The panel will be facilitated by the Aboriginal Languages Trust and the discussion will focus on the principles and case studies included in the *Our Languages, Our Way* Guidelines, and will explore the impacts that broader language use is having on Aboriginal language revitalisation efforts in NSW.

The program is **ATTACHED**, refer **ANNEXURE 1**, for more details.

(a) Policy Implications

Authorisation to attend the AIATSIS Summit, in accordance with Council's policy relating to the *Payment of Expenses and Provision of Facilities to Councillors*.

Approval arrangements for Councillor discretionary trips, attendance of Councillors at conferences, seminars, forums, workshops, professional development programs and/or other significant expenses and facilities under this policy and for insurance purposes must be authorised by way of a formal resolution of an Ordinary Meeting of Council.

(b) Financial Implications

Nil, The Aboriginal Languages Trust will cover the cost of flights, accommodation and other reasonable expenses associated with attending the Summit.

(c) Legal Implications

Council's formal resolution for attendance of any delegate is required for insurance purposes whilst the representatives are performing bona fide Council duties.

(d) Community Consultation

Nil

(e) Delivery Program Objective/Strategy

Focus Area 9 – Open and Collaborative Leadership

8.2 INTEGRATED PLANNING AND REPORTING - EXHIBITION OF DRAFT OPERATIONAL PLAN AND BUDGET, DRAFT STATEMENT OF REVENUE POLICY AND DRAFT ANNUAL FEES & CHARGES

DIRECTORATE: OFFICE OF THE GENERAL MANAGER
AUTHOR: Katie Alchin, Manager Strategy & Performance
Sherrill Young, Manager - Financial Services

5 ANNEXURES ATTACHED

RECOMMENDATION

That in relation to the report "Integrated Planning and Reporting - Exhibition of Draft Operational Plan and Budget, Draft Statement of Revenue Policy and Draft Annual Fees & Charges", Council:

- (i) place the proposed draft documents on public exhibition for a period of 28 days in accordance with section 403, 404 and 405 of the Local Government Act 1993;*
 - (ii) require a further report to be submitted at the completion of the formal exhibition period detailing any submissions received during exhibition for Council's consideration and final adoption of the documents;*
 - (iii) note the draft budget contains saving measures of \$3.6M that will need to be identified in the first quarter of the new financial year; additional information is contained in the report titled "2026-2027 Draft Budget Review"; and*
-

- (iv) note that the Long-Term Financial Plan (LTFP) is being prepared for presentation at the Council Meeting of 30 June 2026, prior to being placed on public exhibition for at least 28 days. In accordance with mandatory requirements submissions will be accepted and considered before the Long-Term Financial Plan is adopted by Council.**

SUMMARY

The purpose of this report is to present the suite of draft Integrated Planning and Reporting documents to Council to obtain a resolution for public exhibition of each of the related documents. The related documents **ATTACHED**, refer **ANNEXURES 1, 2, 3, 4, and 5** include the following drafts:

- Draft 2026/2027 Operational Plan and Budget;
- Draft 2026/27 Statement of Revenue Policy;
- Draft Fees and Charges 2026/27;
- New Fees and Charges 2026/27; and
- Fees and Charges Discontinued 2026/27.

COMMENTARY

Under the Integrated Planning and Reporting (IP&R) Framework, Council is required to prepare a number of documents to facilitate integration of long-term planning and implementation of Council activities.

The following requirements for the Operational Plan and Budget have been included, as outlined in the *Local Government Act 1993* and *Local Government (General) Regulation 2021*:

1. principal actions have been identified for each strategy and the plan directly relates to the nine focus areas and priorities of our Community Strategic Plan 2025-2035;
2. Financial information included in the Operational Plan and Budget includes:
 - the forecast operating results for each fund;
 - the forecast cash results for each fund;
 - budget allocations linked to our Community Strategic Plan 2025-2035; and
 - details of capital works for 2026/27.
3. the Statement of Revenue Policy includes the following requirements:
 - a statement containing a detailed estimate of the Council's income and expenditure;
 - a statement with respect to each ordinary rate proposed to be levied;
 - a statement with respect to each charge proposed to be levied;
 - a statement of the types of fees proposed to be charged by the Council and, if the fee concerned is a fee to which Division 3 of Part 10 of Chapter 15 of the Act applies, the amount of each such fee;
 - a statement of Council's proposed pricing methodology, and

- a statement of the amounts of proposed external borrowings, the sources from which they are proposed to be borrowed and the means by which they are proposed to be secured.
 - A statement of forecast Income Statements by type and function
 - a detailed budget grouped by Council Directorates and functions
4. Council's Ordinary Rate Policy for 2026/27, included in the Statement of Revenue Policy, meets legislative requirements and Best Practice Guidelines and includes for each rating category and sub-category:
- the ad valorem amount (the amount in the dollar) of the rate;
 - advice on whether the rate has a base amount; the value of the base rate, and the percentage and yield of the total amount payable by the levying of the rate;
 - maps demonstrating the parts of Council's local government area categorised into each of the different ordinary rate category and sub-categories.
5. Council's Charges Policy, included in the Statement of Revenue Policy, meets legislative requirements and best practice guidelines and includes the amount or rate per unit of the charge, differing amounts for the charge (where applicable) and the estimated yield of the charge; and

Following the 28 days public exhibition period, a further report will be presented to Council outlining submissions received and recommendations for response, to allow Council to consider community feedback prior to final adoption of the plan at its 30 June 2026 Meeting.

The budget tables included in the Draft 2026/2027 Operational Plan & Budget provide a break-down of the source and application of funds by key service functions.

This is supported by a detailed budget to be used by management to implement and monitor delivery of the plan. Budget progress will be reported by the Quarterly Budget Review Statements, and details of budget variations and adjustments will be reported monthly. There will be a particular focus on updating Council and the community on the saving requirements outlined in the SV application as well as quantifying targeted savings noted in recommendation (iii) of this report.

(a) Policy Implications

The documents in this report, when adopted by Council, will replace all previously adopted Integrated Planning and Reporting documents. The documents form the basis for all Council's decision-making and operational activity for the 2026/27 financial year.

(b) Financial Implications

As per the Draft Operational Plan and Budget 2026/27 **ATTACHED**, refer **ANNEXURE 1**, and the Draft Statement of Revenue Policy **ATTACHED**, refer **ANNEXURE 2**.

(c) Legal Implications

This report confirms that Council has addressed the Integrated Planning and Reporting legislative requirements of the *Local Government Act 1993 sections 404, 405 and 406*, and legislative requirements associated with Council's Statement of Revenue Policy, Charges, Rating and Public Notice requirements of sections 532, 610B-F and 706(2) of the *Local Government Act 1993*. As such, it recommends the public exhibition of the 2026/27 Operational Plan and Budget.

(d) Community Consultation

The Act requires Council to place the draft plans on public exhibition for a period of at least 28 days.

Council has prepared a Communication Plan for the exhibition period for the documents in this report.

(e) Delivery Program Objective/Strategy

Focus Area 9 – Open and Collaborative Leadership

8.3 2026 - 2027 DRAFT BUDGET REVIEW

DIRECTORATE: OFFICE OF THE GENERAL MANAGER

AUTHOR: Sherrill Young, Manager - Financial Services

1 ANNEXURES ATTACHED

RECOMMENDATION:

That in relation to the report “2026-2027 Draft Budget Review”, Council:

- (i) commit to identifying and delivering General Fund saving measures of \$3.6M with regards to the 2026/27 Annual Budget.*
- (ii) commit to a timeframe for finding these savings. It is recommended that \$2.6M be identified and incorporated in the first quarterly budget review. The remaining \$1M to be identified and fully incorporated by 31 March 2027. All savings would be disclosed in the monthly budget variation reports.*
- (iii) note that any material variations to the budget for 2026-2027 has the potential to reduce Council's internal discretionary cash reserves for current and future years; if this occurs it will trigger the need to find commensurate savings elsewhere. Ensuring solid discretionary cash reserves are maintained, will mean that there is a sufficient cash buffer to offset the timing of cash flows for General Fund operations. This is crucial to avoid utilising externally restricted cash in its day to day General Fund operations.*
- (iv) identify and realise alternate saving amounts to those outlined in the Special Variation (SV) application to IPART 2024-25. To date, none of the anticipated realisable savings have been delivered and are not included in Council's Delivery Program or Long Term Financial Plans. In order to incorporate these savings into future Annual Budgets and Delivery Programs they should be identified by 28 February 2027.*
- (v) take action to reduce internal loans within General Fund which are estimated to be \$30M as at 30 June 2026.*

SUMMARY

Being tabled tonight as per agenda item 8.2 is Council's Draft 2026 – 2027 Operational Plan and Budget and other associated documents, which are to be placed on public exhibition. The purpose of this report is to provide information and commentary on the proposed draft budget, with a particular focus on the 2026/2027 financial year, noting that there is always a flow on effect to future years.

The main concern is the need for corrective action to address the financial warning signs with regards to the General Fund. To offset concerning indicators, there is the positive of

increased revenue from future land sales; however, the timing of this income stream is difficult to predict and quantify.

Council's Water and Sewer Funds are stable; both have sound cash reserve balances. Sewer has significant cash outlays in last two years of the four-year budget with significant works scheduled at Westdale and Kootingal.

COMMENTARY

This report provides commentary on the individual funds of Council with regard to the draft budget. The tables provided in this report are able to be found in Council's Draft Delivery Program and their structure mirrors that of the tables contained in Council's quarterly budget reviews. Quarterly budget reviews only deal with the current financial year but the tables below provide estimates for a four a four year period.

The top part of the tables converts Council's accounting result back to a cash result. It shows whether Council's cash balances will decrease or increase.

The bottom part of the table shows which funding sources will increase or decrease. The externally restricted funding sources are marked with an *. Ideally funding sources without an * should be increasing.

GENERAL FUND

The following table can be found on page 31 of the Operational Plan and Budget.

General Fund Forecast Budget Results.

<i>Budget Results</i>	2026/2027	2027/2028	2028/2029	2029/2030
Original Budget				
Operating Income	147,567,017	152,817,424	155,715,250	159,718,287
Operating Expenditure	149,045,940	153,380,271	155,874,540	157,284,431
Operating Result before Capital: Surplus/(Deficit)	(1,478,923)	(562,847)	(159,290)	2,433,856
Capital Income	33,158,948	14,390,612	7,414,534	3,699,895
Operating Result: Surplus/(Deficit)	31,680,025	13,827,765	7,255,244	6,133,751
Plus: Non-Cash Adjustments: Depreciation/Leave Accruals	42,283,171	42,547,211	43,306,590	43,450,827
Non Operating Cash Adjustments				
Plus: Loans Raised to Fund Capital Expenditure	14,132,301	1,690,295	0	0
Plus: Proposed Land Sales Net Income	3,450,254	2,548,573	2,506,700	2,467,156
Less: Leave Paid on Termination	900,000	922,500	945,563	969,202
Less: Loan Principal Repayments/Receipts	6,566,007	5,111,310	5,154,650	5,143,756
Capital Expenditure	89,350,345	45,353,838	34,818,871	32,121,612
Net Cash Result: Increase/(Decrease)	(5,270,601)	9,226,196	12,149,450	13,817,164
Breakup of Cash Result				
Current Cash: Increase/(Decrease)	638,445	480,689	381,010	902,977
Unexpended Grants: Increase/(Decrease) *	(8,114,582)	6,000	(6,000)	0
Reserves: Increase/(Decrease)	(383,854)	5,763,413	8,334,933	9,234,541
Developer Contributions: Increase/(Decrease) *	2,531,390	3,165,046	3,439,507	3,679,646
Unexpended Loans: Increase/(Decrease) *	58,000	(188,952)	0	0
Net Cash Result: Increase/(Decrease)	(5,270,601)	9,226,196	12,149,450	13,817,164

* Externally Restricted Cash

The above table shows that for 2026/27, Council's overall cash balance is expected to decrease by (\$5,270,601). The decrease is due to spending (\$8,114,582) in grant funds, which relates to significant construction projects such as the Aquatic Centre.

Councils discretionary cash is forecast to increase by \$254,591 (current cash \$638,445 less the Reserves decrease of \$383,854).

Developer contribution funds are estimated to increase by \$2,531,390.

After the 2026/2027 financial year, Council's cash balances are set to increase; however, this is predominantly due to increases in the waste reserve. The waste reserve will require these increased funds to address the Food Organics and Garden Organics mandates set by the NSW Government, as well as to ensure sufficient funds are set aside for remediation of waste facilities.

Costs Need to be Reduced

Every year the budget includes a reduction in expenditure to allow for the fact that during the year there are always projects that run under budget, vacant positions are either not filled or there is a time delay between a staff members departure and a replacement being found. For the 2026/27 budget the built in expenditure reductions figure was originally set to be \$1.6M.

As budget preparations approached finalisation it became clear that additional cost reductions over and above this \$1.6M need to be found in order to stop Council's discretionary cash reserves (those are the current cash and the reserve lines in the table above) from decreasing.

It is imperative that Council's General Fund maintain sufficient discretionary cash reserves to provide a cash flow buffer to ensure that payments for General Fund operations do not encroach on externally restricted cash reserves. This is not permitted under the Local Government Act and Regulations.

The additional pressure on the budget is coming from increased Information Technology costs, increased staff numbers - particularly in Information Technology and Development - as well as a \$700,000 increase in Workers Compensation Insurance. For these reasons the built-in savings line was increased from \$1.6M to \$3.6M.

It is the opinion of the Manager – Financial Services that this amount can be achieved, as indicated by the cash result of 2024/25 where there was a cash surplus of \$2.7M over and above the "usual" built in savings. The main contributor is the significant number of vacant positions currently enveloped in Council's organisation structure. Council's Chief People Officer is currently undertaking a review of these vacant roles.

Ideally savings should be identified within the first quarter of the 2026/2027 financial year and incorporated into the first quarterly budget review.

Special Variation Productivity Improvements

As mentioned above, costs for Council's Information Technology are increasing. Prices are rising with regards to items such as software licences, and there are also additional costs being incurred with regards to cyber security. There has not been a significant enhancement of Council's core software system for over twenty years, so improvements are long overdue.

At the time of preparing the Special Variation (SV) application it was anticipated that realisable dollar savings would be able to be incorporated into the budget once the technology upgrades were fully implemented.

The table below is extracted from the Organisational Sustainability Review and Improvement Plan (August 2023), Section 6.2.3 page 14, Table 2, being which was supporting documentation that supported Council's SV application.

Realisable savings	One-off benefit	Ongoing (per annum)
One off realisable savings over the next five years by sunsetting technology platforms no longer required	\$2.8 million	
Ongoing realisable savings from productivity gains from year five onwards		\$4.9 million
Total realisable savings	\$2.8 million	\$4.9 million

To date, none of the realisable improvements have been quantified in Council's budgets; however, it is advisable that Council identify alternative savings to facilitate future asset renewal.

Land Sales

Council is well placed to generate increased income from land sales. With inventory opportunities such as the Tamworth Global Gateway Park, Council has assets that were specifically acquired with a view to conversion to an income stream. Land sales are a positive contributor; however, the underlying concern is this income stream is difficult to estimate with regard to the timing and the amount. To negate this timing issue Council needs to maintain a sufficient discretionary cash buffer to manage timing variances associated with these significant inflows. It is also recommended that large cash injections from land sales be utilised to extinguish internal General Fund Loans (Flight Training College and the Tamworth Global Gateway Park) as well as provide funding sources for significant asset renewal, rather than funding day to day operating expenses.

WATER FUND

All of Water Fund cash reserves are externally restricted, this means that they cannot be spent on anything other than water operations.

Water fund reserves for the first two years are forecast to increase due to increases in holdings of developer contributions. Conversely reserves are predicted to decrease in the last two years of the four-year forecast with expenditure being funded by developer contributions. The utilisation of available developer contributions is a positive outcome and Water Fund reserves are forecast to remain steady for the next four years.

Water Fund does need to be monitored, as it continues to record low and/or negative operating performance ratios. As mentioned in previous Quarterly Budget Reviews, the unreliability of water and the associated drop in income from water consumption during times of drought remains an ongoing concern.

Water Fund Forecast Budget Results.

Budget Results	2026/2027	2027/2028	2028/2029	2029/2030
Original Budget				
Operating Income	28,971,050	29,089,107	30,010,999	30,609,168
Operating Expenditure	31,119,121	30,706,636	31,039,904	31,676,741
Operating Result before Capital: Surplus/(Deficit)	(2,148,071)	(1,617,529)	(1,028,905)	(1,067,573)
Capital Income	2,812,500	2,893,063	2,975,896	3,061,063
Operating Result: Surplus/(Deficit)	664,429	1,275,534	1,946,991	1,993,490
Plus: Non-Cash Adjustments: Depreciation/Leave Accruals	8,386,177	8,409,541	8,409,541	8,409,541
Non Operating Cash Adjustments				
Plus: Loans Raised to Fund Capital Expenditure	0	0	0	0
Plus: Proposed Land Sales Net Income	0	0	0	0
Less: Leave Paid on Termination	0	0	0	0
Less: Loan Principal Repayments/Receipts	1,608,706	1,512,564	1,411,194	1,474,624
Capital Expenditure	6,763,697	4,100,000	11,294,792	9,221,000
Net Cash Result: Increase/(Decrease)	678,203	4,072,511	(2,349,454)	(292,593)
Breakup of Cash Result				
Current Cash: Increase/(Decrease) *	355,638	328,188	346,187	448,943
Unexpended Grants: Increase/(Decrease) *	0	0	0	0
Reserves: Increase/(Decrease) *	(2,655,472)	(300,000)	190,000	(669,000)
Developer Contributions: Increase/(Decrease) *	2,978,037	4,044,323	(2,885,641)	(72,536)
Unexpended Loans: Increase/(Decrease) *	0	0	0	0
Net Cash Result: Increase/(Decrease)	678,203	4,072,511	(2,349,454)	(292,593)

* Externally Restricted Cash

SEWER FUND

All of Sewer Fund cash reserves are externally restricted, this means that they cannot be spent on anything other than sewer operations.

The Sewer Fund's financial position is sound. Of note is the increased expenditure scheduled to commence from 2028/29. This is to carry out extensive works at Westdale and Kootingal.

Sewer Fund Forecast Budget Results

<i>Budget Results</i>	2026/2027	2027/2028	2028/2029	2029/2030
Original Budget				
Operating Income	30,396,373	31,204,023	31,768,280	32,270,992
Operating Expenditure	21,630,881	20,718,575	21,844,739	21,431,281
Operating Result before Capital: Surplus/(Deficit)	8,765,492	10,485,448	9,923,541	10,839,711
Capital Income	1,013,000	1,048,575	1,085,296	1,123,197
Operating Result: Surplus/(Deficit)	9,778,492	11,534,023	11,008,837	11,962,908
Plus: Non-Cash Adjustments: Depreciation/Leave Accruals	7,202,327	7,212,866	7,298,764	7,834,830
Non Operating Cash Adjustments				
Plus: Loans Raised to Fund Capital Expenditure	0	0	0	0
Plus: Proposed Land Sales Net Income	0	0	0	0
Less: Leave Paid on Termination	0	0	0	0
Less: Loan Principal Repayments/Receipts	1,762,935	3,018,828	3,280,361	1,940,560
Capital Expenditure	6,109,000	9,964,000	40,684,000	63,544,000
Net Cash Result: Increase/(Decrease)	9,108,884	5,764,061	(25,656,760)	(45,686,822)
Breakup of Cash Result				
Current Cash: Increase/(Decrease) *	345,498	326,978	371,065	424,151
Unexpended Grants: Increase/(Decrease) *	0	0	0	0
Reserves: Increase/(Decrease) *	7,194,854	7,251,052	(22,006,612)	(47,928,948)
Developer Contributions: Increase/(Decrease) *	1,768,532	(1,813,969)	(3,578,877)	1,817,975
Unexpended Loans: Increase/(Decrease) *	(200,000)	0	(442,336)	0
Net Cash Result: Increase/(Decrease)	9,108,884	5,764,061	(25,656,760)	(45,686,822)

* Externally Restricted Cash

(a) Policy Implications

Nil

(b) Financial Implications

This report endeavours to highlight the financial indicators for General Fund that show Council needs to ensure that there is sufficient reserve capacity for General Fund to meet its contractual obligations without encroaching on externally restricted cash reserves. It is necessary for General Fund to incorporate ongoing cost savings within its budgets.

Water and Sewer Funds reserves are currently at financial sustainable levels and forecast to remain so in the next four years.

(c) Legal Implications

Council needs to be mindful of the legal requirements of:

Local Government Act 1993 Section 223 (1)(c)

Instrument Under Section 508A of the Local Government Act 1993 – special Variation for Tamworth Regional Council for 2024-25 to 2025-26.

(d) Community Consultation

As per the Community Consultation information contained in Item 8.2.

(e) Delivery Program Objective/Strategy

Focus Area 9 – Open and Collaborative Leadership

9 COMMUNITY SERVICES

9.1 TENNIS AUSTRALIA TWO YEAR FUNDING REQUEST

DIRECTORATE: CREATIVE COMMUNITIES AND EXPERIENCES
AUTHOR: Linda Bridges, Coordinator Visitor Economy

1 ANNEXURES ATTACHED

RECOMMENDATION

That in relation to the report “Tennis Australia Two Year Funding Request”, Council approves the request of \$30,000 per year to host an ITF World Tennis Tour event in Tamworth for 2026 and 2027.

SUMMARY

Tennis Australia has requested a \$30,000 sponsorship from Tamworth Regional Council to support and secure the hosting of ITF World Tennis Tours in 2026 and 2027.

COMMENTARY

The Tamworth Pro Tennis event is delivered over two weeks and features both singles and doubles competitions, forming an important part of Australia’s tennis pathway and providing elite competitive opportunities for emerging and professional players.

Tennis Australia’s investment in hosting professional tennis in Tamworth covers all prize money, travel, accommodation, and operational costs required to successfully stage the event.

To support the delivery of two weeks of Pro Tennis, Tennis Australia is seeking a financial contribution of \$30,000. This request is consistent with the level of funding support provided by Councils across the country for events of this scale and calibre and would assist in securing the hosting rights for at least the next two years, 2026 and 2027.

The successful delivery of the 2025 Capital of Country International Pro Tennis event demonstrated the region’s capability to host high quality sporting events. The tournament attracted increased visitation to Tamworth, effectively utilised a first-class regional facility, and raised the profile of the sport locally through school engagement activities and tennis workshops, encouraging participation and inspiring the next generation of players.

Tamworth Regional Council’s sponsorship of \$30,000 for the 2025 event included the inclusion of Tamworth Region’s ‘Capital of Country’ brand in the title of the event and saw the Tamworth Region and Tamworth Regional Council logo placed prominently in key signage at the event. The marketing insights from the 2025 events are **ATTACHED**, refer **ANNEXURE 1**.

Hosting major events in a regional centre delivers significant economic benefits and drives overnight visitation in both the short and long term. During the event period, the presence of players, officials, and spectators increases demand for local accommodation, hospitality, and retail services, providing an immediate boost to local businesses and service providers.

Beyond the event itself, increased exposure through national broadcasting, media coverage, and promotional activity strengthens the region’s profile as a tourism destination. Positive visitor experiences encourage repeat visitation and word-of-mouth promotion, supporting sustained tourism growth. Effectively committing to a two year deal with Tennis Australia will mean we can strategically plan to market the event and further attract increased overnight visitation, local attendance and ancillary activities during the 14 day event.

In addition, improvements to facilities and infrastructure enhance the region’s ongoing capacity to host future events, creating a strong foundation for long-term economic and

tourism outcomes.

ECONOMIC IMPACT

Based on data supplied by Tennis NSW, the following economic impact statement has been prepared by the Economic Development team. The event was free to attend, providing spectators with an accessible and affordable opportunity to experience high-level professional tennis.

Total Estimated Impact - 2026 Capital of Country International Australian Pro Tour			
	Output (\$)	Value-added (\$)	Local Jobs (annual jobs)
Direct impact	619,080	274,285	3.8
Industrial impact	293,646	127,493	1
Consumption impact	180,317	92,266	0.9
Total impact on Tamworth Regional Council economy	1,093,043	494,044	6
Source - the above calculation was done using the Event Impact Calculator of economy.id			
Assumptions			
1. The event falls under the category of 'Sport & Recreation activities and is a 'regional' event (in economy.id's categorisation)			
2. 275 visitors (100%) will be overnight visitors per day			
3. 0 visitors will be day visitors per day			
4. Spending per overnight visitor will be \$201- the value of spending per night during an overnight trip in December 2024 for New England North West as per TRA data			
5. Spending per day visitor will be equivalent to \$148 - the average amount of spending during day trips (in December 2024) in Australia on takeaways and restaurant meals, shopping / gifts /souvenirs, entertainment and petrol (as per TRA data)			
6. It was assumed that the addition of the economic impact - spending from day and overnight visitors separately - will provide the total economic impact			
7. The event is a fourteen-day event			
8. Calculations completed based on approx number's provided by Tennis Aust and averaged at 275 per day for 14 days			
Event Impact Summary - For Day Visitors			
	Output (\$)	Value-added (\$)	Local Jobs (annual jobs)
Direct impact			0
Industrial impact			0
Consumption impact			0
Total impact on Tamworth Regional Council economy			0
Event Impact Summary - For Overnight Visitors			
	Output (\$)	Value-added (\$)	Local Jobs (annual jobs)
Direct impact	619,080	274,285	3.8
Industrial impact	293,646	127,493	1
Consumption impact	180,317	92,266	0.9
Total impact on Tamworth Regional Council economy	1,093,043	494,044	6
Source:National Institute of Economic and Industry Research (NIEIR) ©2025.Compiled and presented in economy.id by.id (informed decisions). Note: All \$ values are expressed in2022/23base year dollar terms.			

(a) Policy Implications

Nil

(b) Financial Implications

The cost to support the Tennis Australia event is \$30,000 per year and will be funded from the General Fund.

(c) Legal Implications

Nil

(d) Community Consultation

Nil

(e) Delivery Program Objective/Strategy

Focus Area 3 – Prosperity and Innovation

Focus Area 8 – A Strong and Vibrant Identity

10 REPORTS TO BE CONSIDERED IN CLOSED COUNCIL

RECOMMENDATION

That the confidential reports as listed be considered in a Meeting closed to the public in accordance with Section 10A(2) of the Local Government Act 1993.

10.1 E135-2025 - EXPRESSION OF INTEREST - PROPOSED LEASE OF 7-11A ANNE STREET, SOUTH TAMWORTH

DIRECTORATE: OFFICE OF THE GENERAL MANAGER

AUTHOR: Nicholas Hawkins, Commercial Property Officer

The Council will determine this matter in part of the Meeting closed to the public pursuant to Section 10A(2) (c)&(d)i of the Local Government Act 1993 on the grounds that the matter and information is information that would, if disclosed, confer a commercial advantage on a person with whom Council is conducting (or proposes to conduct) business and commercial information of a confidential nature that would, if disclosed prejudice the commercial position of the person who supplied it.

SUMMARY

The purpose of this report is to seek Council's authorisation to negotiate and enter into a lease agreement with the party identified in the body of this report for 7-11A Anne Street, South Tamworth.

10.2 PROPOSED LICENCE AGREEMENT OF ACCOMMODATION BLOCK E AT THE INTERNATIONAL FLIGHT TRAINING TAMWORTH (IFTT) FACILITY - TAMWORTH REGIONAL AIRPORT

DIRECTORATE: OFFICE OF THE GENERAL MANAGER
AUTHOR: Nicholas Hawkins, Commercial Property Officer
Reference: Item 12.8 to Ordinary Council 13 August 2024 - Minute No. 226/24
Item 12.1 to Ordinary Council 10 December 2024 - Minute No. 362//24

The Council will determine this matter in part of the Meeting closed to the public pursuant to Section 10A(2) (c)&(d)i of the Local Government Act 1993 on the grounds that the matter and information is information that would, if disclosed, confer a commercial advantage on a person with whom Council is conducting (or proposes to conduct) business and commercial information of a confidential nature that would, if disclosed prejudice the commercial position of the person who supplied it.

SUMMARY

The purpose of this report is to seek Council's authorisation to enter licence agreements with the party identified in the body of this report for Accommodation Blocks at the International Flight Training Tamworth (IFTT) Facility at the Tamworth Regional Airport.

10.3 T059/2008 TAMWORTH EFFLUENT REUSE FARM OPERATIONS - HARLEY HAY LEGAL MATTER

DIRECTORATE: WATER AND WASTE
AUTHOR: Daniel Coe, Manager - Water and Environmental Operations
Reference: Item 12.3 to Ordinary Council 23 February 2021 - Minute No 45/21
Item 12.4 to Ordinary Council 25 May 2021 - Minute No 155/21
Item 12.12 to Ordinary Council 14 February 2023 - Minute No 22/23
Item 12.1 to Ordinary Council 10 March 2026 - Minute No 41/26

The Council will determine this matter in part of the Meeting closed to the public pursuant to Section 10A(2) (g) of the Local Government Act 1993 on the grounds that the matter and information is advice concerning litigation, or advice as comprises a discussion of this matter, that would otherwise be privileged from production in legal proceedings on the ground of legal professional privilege.

SUMMARY

The Tamworth Effluent Reuse Farm (TERF) was developed to provide sustainable management of the effluent produced from Council's Westdale Wastewater Treatment Plant (WWTP) where this effluent could be beneficially reused in agricultural production.

On commencement of the operation of the TERF on 15 September 2011, a Project Agreement for the operation of the TERF was signed for a period of 10 years with the original TERF operator, REALM Agribusiness Pty Ltd. The Project Agreement included an option to extend the operation agreement for a further five years, solely at the discretion of Council.

The Agreement could also be novated to another party with Council's approval. At its Meeting of 9 February 2016, Council considered a report in relation to the Project Agreement being novated from REALM Agribusiness Pty Ltd to Harley Hay Pty Ltd. Council subsequently agreed to the novation of the Project Agreement for the operation of the TERF

and on 15 March 2016, Council executed the Deed of Novation of Project Agreement for the TERF contract T059/2008 with Harley Hay Pty Ltd. As a result, Harley Hay Pty Ltd became the operational contractor for the TERF for the remaining term of the original Agreement i.e. until 15 September 2021.

The 2018/2020 drought occurred during the period Harley Hay was operating the TERF. Given the severity of the drought and the impacts of a proposed temporary weir on the Peel River on downstream license holders, Council agreed, following discussion with the NSW Government, to a trial where pumping of effluent to the TERF would cease and effluent would instead be pumped to the Peel River for possible use by downstream water license holders. The trial commenced on 3 December 2019, for a period of approximately five weeks. The trial was not successful and as a result pumping of effluent to the TERF recommenced on 8 January 2020.

As previously reported to Council, Harley Hay commenced legal action against Council seeking compensation for the interruption to the pumping of effluent to the reuse farm during the trial period and compensation for crops in the ground when the contract for the ongoing operation of the TERF, post 15 September 2021, was awarded to Manuka Chaff following a tender process.

Council considered a report on this matter at its meeting of 10 March 2026. The purpose of this report is to advise Council that following court required mediation this legal matter has been resolved.

10.4 T084-2026 DUNGOWAN DAM SAFETY REVIEW

DIRECTORATE: WATER AND WASTE
AUTHOR: James McLoughney, Manager - Projects, Strategy & Infrastructure

1 CONFIDENTIAL ENCLOSURES ENCLOSED

The Council will determine this matter in part of the Meeting closed to the public pursuant to Section 10A(2) (d)i&(d)ii of the Local Government Act 1993 on the grounds that the matter and information is commercial information of a confidential nature that would, if disclosed prejudice the commercial position of the person who supplied it and information that would, if disclosed, confer a commercial advantage on a competitor of Council.

SUMMARY

Dungowan Dam is a critical water security asset supplying up to 40% of Tamworth, Moonbi and Kootingal's demand. The Dam has been operational since 1958 and underwent a major upgrade in 1991/1992 to improve its flood handling capability.

Dam Safety has evolved since the construction of the dam, in 1978 an act was established and supported by the establishment of a Dams Safety Committee (DSC). The Dam Safety Committee administered the 1978 act by publishing guidance sheets for dam owners to follow. The 1978 Act had very limited penalty provisions for dam owners who failed to comply with the Act provisions.

The Dams Safety Act 2015 replaced the 1978 Act and is further supported by the Dams Safety Regulation 2019. The 2019 regulation sets out operational standards and safety standards that declared dam owners must comply with to satisfy the 2015 Act. Dungowan Dam is a declared dam for the purposes of the Act and Regulation

Council commissioned AECOM in 2016 to undertake a Dam Safety Risk Assessment of Dungowan Dam. This risk assessment confirmed the risks were tolerable in that they

satisfied the “As Low As Reasonably Practical” principle, however the risk report recommended some further engineering studies to reduce uncertainty.

The 2019 regulation specified that dam owners must complete a risk assessment every five years which meant the next risk report was due in 2021.

During the Tinderbox drought (2018-2020) the NSW and Australian Governments announced the construction of a new Dungowan Dam which would include the decommissioning of Council’s existing Dungowan Dam.

As part of the investigation of the new Dungowan Dam the NSW Government commissioned a further risk report (SMEC,2021) on the existing dam identified an increased probability of failure. Dams Safety NSW which is the Regulatory Agency responsible for administering the Act and Regulations, accepted the 2021 risk report as fulfilling the requirements of the 2015 Act and 2019 Regulation.

In 2023 the NSW Government announced that it was not proceeding with the New Dungowan Dam Project.

Previous risk reports have identified potential failure modes, which may require remedial action, however further engineering studies are required to further assess and quantify risks and if considered necessary, subsequent remedial actions.

Based on the history of Dungowan Dam and the uncertainty that was identified in previous risk reports it is proposed to undertake a Safety Review of Dungowan Dam. The Safety Review is mandated in the 2019 Regulation to be completed every fifteen years or on every third Risk Report. The Safety Review is a more comprehensive process and given the fact that Dungowan Dam and it is considered the completion of a Safety Review is appropriate.

As a first step in the completion of the Safety Review Tenders have been called from suitably qualified and experienced consultants to undertake this review.

The purpose of this report is to advise Council of the results of the tender process and seek Council’s approval to award a contract to undertake the review