

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 **Lands Building Nemingha Room, 25-27 Fitzroy Street, Tamworth**, commencing at **6:30pm**.

ORDINARY COUNCIL AGENDA

13 SEPTEMBER 2022

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

Community Consultation 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 COMMUNITY CONSULTATION**
- 3 MINUTES OF PREVIOUS MEETING SUBMITTED FOR APPROVAL**

RECOMMENDATION

That the Minutes of the Ordinary Meeting held on Tuesday, 23 August 2022, copies of which were circulated be taken as read and confirmed as a correct record of the proceedings of the Meeting.

4 DISCLOSURE OF INTEREST

Pecuniary Interest

Non Pecuniary Conflict of Interest

Political Donations

5 MAYORAL MINUTE

Nil

6 NOTICE OF MOTION

Nil

OPEN COUNCIL REPORTS

7 ENVIRONMENT AND PLANNING

7.1 REVIEW OF COUNCIL NOMINATED MEMBERS TO THE NORTHERN REGIONAL PLANNING PANEL

DIRECTORATE: LIVEABLE COMMUNITIES
AUTHOR: Andrew Spicer, Senior Integrated Planner
Reference: Item 8.1 to Ordinary Meeting 12 February 2019 - Minute No 9/19
Item 7.1 to Ordinary Council Meeting 9 July 2019 - Minute No 221/19

RECOMMENDATION

That in relation to the report “Review of Council Nominated Members to the Northern Regional Planning Panel”, Council:

- (i) extend the appointment of Mr Stephen Bartlett and Mr James Treloar to serve as Tamworth Regional Council nominated expert members on the Northern Regional Planning Panel (NRPP) for a further three (3) year period; and*
- (ii) notify the NSW Planning Panels Secretariat of the extension of Mr Bartlett’s and Mr Treloar’s appointment.*

SUMMARY

The Northern Regional Planning Panel was formed on 1 July 2009, subject to the provisions of the *Environmental Planning and Assessment Act 1979*, to determine development proposals and consider planning matters of regional significance. The Panel is comprised of five members; three appointed by the Minister and two members nominated by the relevant Council, who participate in regional development and planning matters in their particular Local Government Area.

At its meeting of 12 February 2019 Council resolved to appoint Mr James Treloar as a Council nominated member to the Northern Regional Planning Panel. Subsequently, Council, at its meeting of 9 July 2019, resolved to appoint Mr Stephen Bartlett to the Panel. The original appointment of the Panel members was for a period of three years. The three year appointment has now expired and while Mr Treloar and Mr Bartlett continue to serve on the Panel it is appropriate that Council endorse an extension to their appointment for a further three years.

COMMENTARY

The principal function of a Regional Planning Panel is to determine regionally significant development applications (DAs) and strategic planning matters. Additional functions relate to acting as a relevant planning authority for planning proposals if directed by the Minister, determining Crown DAs, and providing advice in relation to planning and development matters when requested by the Minister.

The Northern Regional Planning Panel (NRPP) is subject to the provisions of the *Environmental Planning and Assessment Act 1979 (EP&A Act)*, *Environmental Planning and Assessment Regulation 2000 (EP&A Reg)* and Department of Planning and Environment Guidelines and Operational Procedures including a *Code of Conduct*.

A Regional Planning Panel consists of five members, being three members appointed by the Minister (State members) and two nominees of an applicable Council (Council nominees).

The *EP&A Act* (S.2.13) provides that at least one of the Council nominees must have a high level of expertise in at least one area of planning, architecture, heritage, the environment, urban design, land economics, traffic and transport, law, engineering and tourism.

Mr James Treloar serves on the NRPP as an expert member based on his particular knowledge of town planning as well as Local Government administration. Mr Treloar served on both Tamworth City Council and Tamworth Regional Council as a Councillor and Mayor for almost 30 years up to 2017. It is considered that Mr Treloar is well placed to continue as a Council expert nominee on the NRPP due to his extensive local government experience and local/regional knowledge.

Mr Stephen Bartlett is also an expert member of the Panel based on extensive knowledge and experience in Local Government administration, tourism and law. Mr Bartlett has formal qualifications in a range of Local Government Administration and Legal fields.

Mr Bartlett has more than 40 years' experience in NSW Local Courts Administration and service in Local Government at five NSW Councils, the Namoi Joint Organisation, Destination Country & Outback NSW Tourism Network, CentaCare and the Tamworth Country Music Foundation.

An assessment of Mr Bartlett's qualifications and wide-ranging experience recommends him to continue as a Council expert nominee on the NRPP.

The Departmental Planning Panels Operational Procedure confirms that members may be reappointed. While this matter reaffirms the existing and ongoing service of these members, who are neither Councillors or Council staff, it is still important to formalise their re-appointment via a resolution of Council to promote transparency of governance and due process to the community and the Planning Panels Secretariate.

(a) Policy Implications

Nil

(b) Financial Implications

Nil

(c) Legal Implications

The proposed reappointments are in alignment with the relevant legislation and Planning Panels guidelines.

(d) Community Consultation

Nil – It is proposed to continue existing arrangements.

(e) Delivery Program Objective/Strategy

Focus Area 9 - Open and Collaborative Leadership – T.01 Conduct the business of Council with transparency and accountability.

8 INFRASTRUCTURE AND SERVICES

8.1 REVIEW OF LICENSING PROVISIONS - DUNGOWAN PIPELINE

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

RECOMMENDATION

That in relation to the report “Review of Licensing Provisions - Dungowan Pipeline”, Council agree to provide \$100,000 in funds from the Water Reserve to fund the engagement of consultants and legal advisers to assist staff in identifying and implementing changes to the administrative process Council follows to supply water to owners of property along the Dungowan Pipeline, both new and existing.

SUMMARY

During discussion about the most appropriate ownership and operation model of the proposed new Dungowan Pipeline, it became apparent the way water is made available to existing customers connected to the existing pipeline does not comply with current licensing provisions. As a result, it was concluded that licensing for the ongoing supply of water from the existing and/or the new pipeline, if it proceeds, will have to be altered.

Given the need to review license requirements it is considered necessary to also review agreements between Council and property owners of property connected to the pipeline to make sure agreements are also appropriate.

The purpose of this report is to seek approval from Council for funding to engage a consultant to assist Council staff identify the most appropriate licensing provisions and help negotiate/shepherd the changes required through the state government process. In addition, Council will also have to engage a law firm to assist in drafting a new connection agreement.

COMMENTARY

There are approximately 109 individual connections to the existing Dungowan Pipeline. Owners of property connected to the pipeline use the water for a variety of purposes – most could be classified as for stock and domestic purposes, but a small number of others are more commercial in nature. At present the water is supplied to those customers from Council’s existing town water access license (WAL) held by Council at Dungowan Dam.

A number of issues, based on existing understanding, have become apparent including:

- Council’s local water utility license associated with Dungowan Dam specifies that “water must only be used for the purpose of supplying water for communities for domestic and commercial activities”. The term “communities” appears to exclude the supply of water to individual property owners;
- whilst stock and domestic use usually does not require a license, commercial operations do;
- Basic Landholders Right (BLR) licenses are available to properties that have frontage to Dungowan Creek or the Peel River. In this case, it is understood a stock and domestic license would not be required. Several of the properties connected to the Dungowan Pipeline fall into this category;
- if Council wants to continue to supply water to property owners for use other than stock and domestic/BLR then Council, or the property owner, may have to acquire a

general/high security license from Dungowan Dam to allow supply. Whether this is possible and how it is done is not known;

- if a general/high security license is granted then it will be affected by Available Water Determinations (AWD's) made by the State Government throughout the water year. Council will have to police the water provided to customers to ensure the use complies with the provisions of the AWD;
- for that part of the pipeline below the intersection of the Chaffey Dam Pipeline, it may be possible for water to be provided to property connected from Chaffey Dam as well as Dungowan Dam. How the licenses reflect this possibility also needs to be considered; and
- the review of how water is provided to customers along the Dungowan Pipeline is required for the existing pipeline between Dungowan Village and the existing Dungowan Dam, the new pipeline, under construction, between the Calala Water Treatment Plant and Dungowan Village and for those properties that will remain connected to the old Dungowan Pipeline once the new pipeline is commissioned. The same provisions will apply if the new pipeline is constructed between Dungowan village and the existing or new Dungowan Dam.

Just how the many issues will be dealt with is complex and it is considered there is a need for consultants, expert in the field of licensing, to be engaged to help Council identify the most appropriate ways of addressing the issues identified. Then, once the method has been determined, the changes required have to be shepherded through the State Government – Council will also require assistance with this. Advice from the State Government indicates there are very few consultants with the required expertise. Discussion with suitable consultants has indicated the cost to assist Council could be in the vicinity of \$50,000.

In addition, once the administrative changes to the way water is provided to customers along the Dungowan Pipeline has been made, it is apparent there will be greater responsibility placed on Council and the customer about the use of that water and other compliance issues, such as limiting use to AWD determinations. To reflect these changes, property owners of property connected to the Dungowan Pipeline should be asked to sign new connection agreements which clearly reflect Council's and the property owners' responsibilities in relation to the supply of water. Legal advice will be required to prepare these new agreements.

Council has previously adopted a position that it will continue to supply water to existing and new customers along the Dungowan Pipeline. The work detailed is considered necessary to ensure the delivery of that water complies with licensing and other requirements.

(a) Policy Implications

Nil

(b) Financial Implications

Funding has not been made in the current annual operation plan. As a result, should Council agree with the recommendation and wish to proceed with the work detailed then an estimated \$100,000 should be made available from the water reserve to fund this work.

(c) Legal Implications

The way Council presently supplies water to Dungowan Pipeline customers is inconsistent with current licensing provisions. The work detailed is required to address this.

(d) Community Consultation

Discussions with existing owners of property connected to the Dungowan Pipeline will be required as necessary changes are identified.

(e) Delivery Program Objective/Strategy

Focus Area 1 – Our water security

8.2 ATTENDANCE AT THE ANNUAL GENERAL MEETING OF THE MURRAY DARLING ASSOCIATION

DIRECTORATE: WATER AND WASTE

AUTHOR: Bruce Logan, Director Water and Waste

2 ANNEXURES ATTACHED

RECOMMENDATION

That in relation to the report “Attendance at the Annual General Meeting of the Murray Darling Association”, Council authorise the Mayor Councillor Russell Webb’s attendance at the 2022 Annual General Meeting of the Association to be held in Albury between 19 and 21 September 2022.

SUMMARY

The Mayor has received an informal invitation to attend the 2022 Annual General Meeting of the Murray Darling Association to be held in Albury NSW between the 19 and 21 September 2022.

The purpose of this report is to seek Council’s authorisation for the Mayor to attend this meeting.

COMMENTARY

The Murray Darling Association was formed in 1944 as the Murray Valley Development League. It is an association of 70 Local Government areas along with community groups, businesses and individuals with an interest in ensuring that the Murray-Darling Basin continues as a viable and valuable asset for all.

The Association is headquartered in Echuca Victoria and is a non-government organisation across state boundaries which strives to represents the views, aspirations and concerns of the large number of people living in the Murray-Darling Basin. The Association has adopted the following:

OUR VISION

A healthy Murray Darling Basin supports thriving communities, economic development and sustainable productivity.

OUR PURPOSE

To provide effective representation of local government and communities at state and federal level in the management of Basin resources by providing:

- information;
- facilitating debate; and
- seeking to influence government policy.

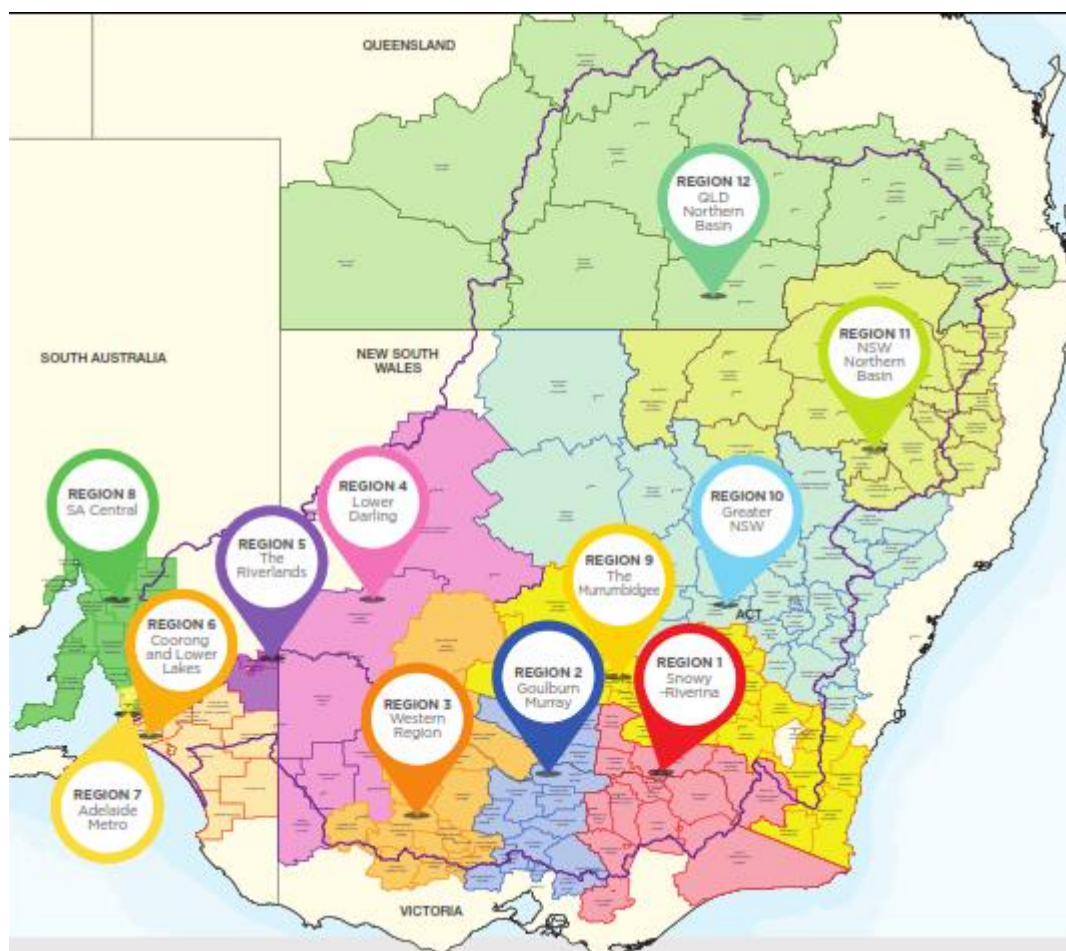
OUR OBJECTIVES

To achieve our purpose, we will:

- advocate on behalf of Basin communities;
- use local knowledge and expertise to fully understand regional issues;
- act as a two-way conduit for information and discussion between our communities and governments;
- encourage and facilitate debate about the things that matter for the Basin's future;
- explore options to achieve sound solutions to regional issues;
- test information to ensure a sound base for those options; and
- be an educational resource for the Basin.

The Association has adopted a Strategic Plan 2020-2025. A copy of the Plan is **ATTACHED**, refer **ANNEXURE 1**.

The Association has split the Basin into 12 regions. Representatives from each region meet to discuss issues the Association may be involved with. A map showing the 12 regions is shown below:



The table below lists the Councils that are members of the Association within the various regions:

Region One: 14 Councils in the region – 5 members			
City of Albury	Federation Council	Snowy Valleys Council	Shire of Towong
Indigo Shire Council			
Region Two: 13 Councils in the region – 5 members			
Greater Shepparton City Council	Shire of Berrigan	Federation Council	Edward River Council
Moira Shire Council			
Region Three: 14 Councils in the region – 0 Members			
Region Four: 8 Councils in the region – 5 Members			
City of Broken Hill	Shire of Central Darling	Shire of Wentworth	Rural City of Mildura
Balranald Shire Council			
Region Five: 5 Councils in region – 5 Members			

Berri Barmera Council	Renmark Paringa Council	District Council of Loxton Waikerie	District Council of Karoonda East Murray
Mid Murray Council			
Region Six: 7 Councils in region – 6 Members			
Alexandrina Council	Southern Mallee District Council	Rural City of Murray Bridge	Coorong District Council
City of Victor Harbor	Tatiara District Council		
Region Seven: 21 Councils in region – 9 Members			
City of Burnside	City of Mitcham	City of Playford	City of Tea Tree Gully
City of Campbelltown	City of Norwood, Payneham & St Peters	City of Port Adelaide Enfield	City of Holdfast Bay
Adelaide Hills Council			
Region Eight: 16 Councils in region – 6 Members			
Northern Areas Council	Light Regional Council	Calare and Gilbert Valleys Council	District Council of Mount Remarkable
Regional Council of Goyder	District Council of Peterborough		
Region Nine: 16 Councils in region – 8 Members			
City of Wagga Wagga	Narrandera Shire Council	City of Griffith	Shire of Hay
Leeton Shire Council	Shire of Carrathool	Murrumbidgee Shire Council	Lockhart Shire Council
Region Ten: 24 Councils in region – 7 Members			
Bourke Shire Council	Forbes Shire Council	Warren Shire Council	Narromine Shire Council
Dubbo Regional Council	Cobar Shire Council	Lachlan Shire Council	
Region Eleven: 15 Councils – 8 Members			
Gunnedah Shire Council	Brewarrina Shire Council	Gwydir Shire Council	Coonamble Shire Council
Walgett Shire Council	Glenn Innes Severn Council	Liverpool Plains Shire Council	Tenterfield Shire Council
Region Twelve: 15 Councils in region – 6 Members			
Balonne Shire Council	Paroo Shire Council	Bulloo Shire Council	Western Downs Regional Council
Goondiwindi Regional Council	Toowoomba Regional Council		

168 Councils are part of the Murray Darling Basin. Of those, 70 Councils are members of the Association.

Tamworth Regional Council is not a member. Council has previously considered becoming a member at its meeting of 24 August 2010, and again, following informal discussion with Councillors in 2016. On both occasions Council elected not to join.

The annual membership fee is currently 0.305 cents per head of population, capped at \$6,681.82 (excl GST). Council would pay the capped amount if it elected to join. If Council joined, it would become a member of region 11. The Mayor of Gunnedah, Councillor Jamie Chaffey, is the current chair of region 11.

It is difficult to assess the value to Council of joining the Association. The Mayor has suggested there may be some value in attending the Annual General Meeting (AGM) of the Association to be held in Albury between the 19 and 21 September 2022. Attendance at the meeting may help inform whether Council should again consider joining. A draft program for the AGM is **ATTACHED**, refer **ANNEXURE 2**.

Should Council agree with the recommendation, the Director Water and Waste will accompany the Mayor. Following the AGM, should it be considered that further consideration of Council joining the Association is warranted, a further report will be submitted to Council.

(a) Policy Implications

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, as per Council's policy relating to the *Payment of Expenses and Provision of Facilities to Councillors*

(b) Financial Implications

Councillors have been allocated funds to specifically provide for attendance at Local Government Sector Conferences, workshop, industry working parties and community non-Council functions and events.

Authorisation of the attendance of Councillors is by way of resolution of Council. Authorisation and the payment of the expenses involved will only be provided by Council where the conference, workshop or industry working party is directly related to the Councillor's Civic Functions and responsibilities and/or the Local Government Sector.

Attendance of the Director, Water and Waste will be funded from an existing conference budget.

The cost of a ticket to attend the conference for non-members is \$1,335.72 per person.

(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

8.3 DRAFT NAMOI REGIONAL WATER STRATEGY

DIRECTORATE: WATER AND WASTE

AUTHOR: Bruce Logan, Director Water and Waste

Reference: Item 8.1 to Ordinary Council 23 March 2021 - Minute No. 62/21

1 ANNEXURES ATTACHED

RECOMMENDATION

That in relation to the report “Draft Namoi Regional Water Strategy”, Council prepare a submission in response to the consultation paper and include the following points:

- i) Council is pleased the Consultation Paper highlights the critical importance of addressing Tamworth’s long-term water security risks. The paper also provides clear actions for the NSW Government and Tamworth Regional Council to work together on;*
- ii) a key shortcoming of the Consultation Paper is not highlighting the importance of preparing a water security plan for Tamworth in the short-term. The strategy, at least as far as Tamworth’s water security is concerned, relies on the New Dungowan Dam resolving any water security concerns in the short-term and suggests a water security plan is a longer-term planning action (as Tamworth grows). Regardless of whether or not the new dam proceeds, a water security plan is needed for Tamworth now. This plan needs to identify a portfolio of demand and supply options to address both short-term and long-term water security; and*
- iii) there is a need for the Namoi Regional Water Strategy (RWS) to be updated if the New Dungowan Dam does not proceed. The current Namoi RWS is predicated on the proposed New Dungowan Dam proceeding. While many of the actions listed in the Consultation Paper (under Priority 1) may still be relevant, the immediate need for a Tamworth Water Security Plan will be even more critical, along with support from the State and Federal Governments to implement the Plan. The shortlist of infrastructure and non-infrastructure options that should be considered in the Plan would also need to be reassessed.*

SUMMARY

Council considered a report on the Draft Namoi Regional Water Strategy (RWS) at its meeting of 23 March 2021 and made a submission. The NSW Government has now placed a consultation paper on public exhibition with submissions closing on 18 September 2022.

COMMENTARY

The NSW Government is preparing regional water strategies with the aim of bringing together the latest climate evidence with a wide range of tools and solutions to plan and manage water needs in NSW regions over the next 20-40 years. 12 strategies will be prepared.

Figure 6 shows how the regional water strategies will fit in the policy and planning context for Murray Darling regions, whilst the objectives of the regional water strategies are shown in Figure 4 below:

Figure 6. NSW water policy and planning context for Murray-Darling Basin regions

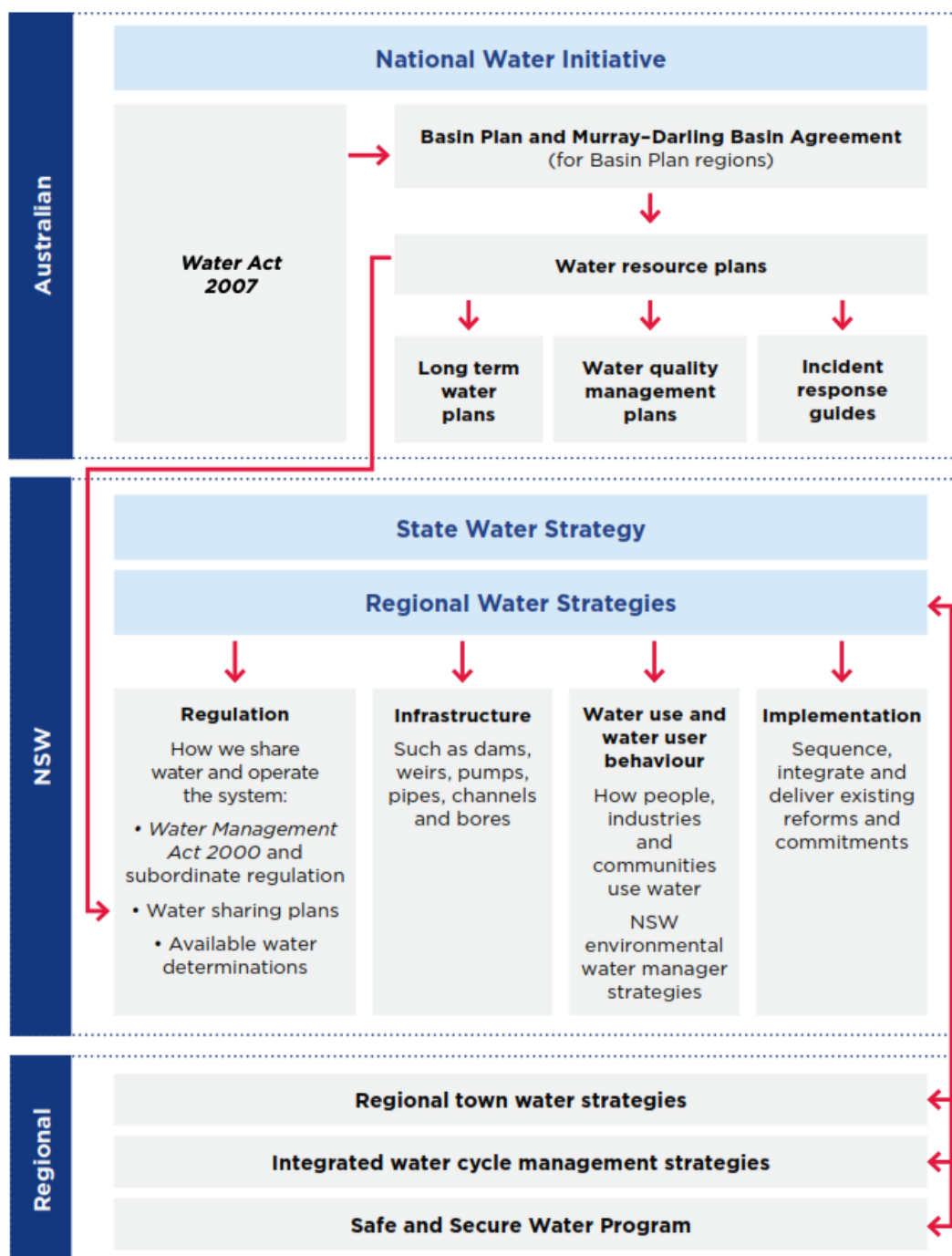
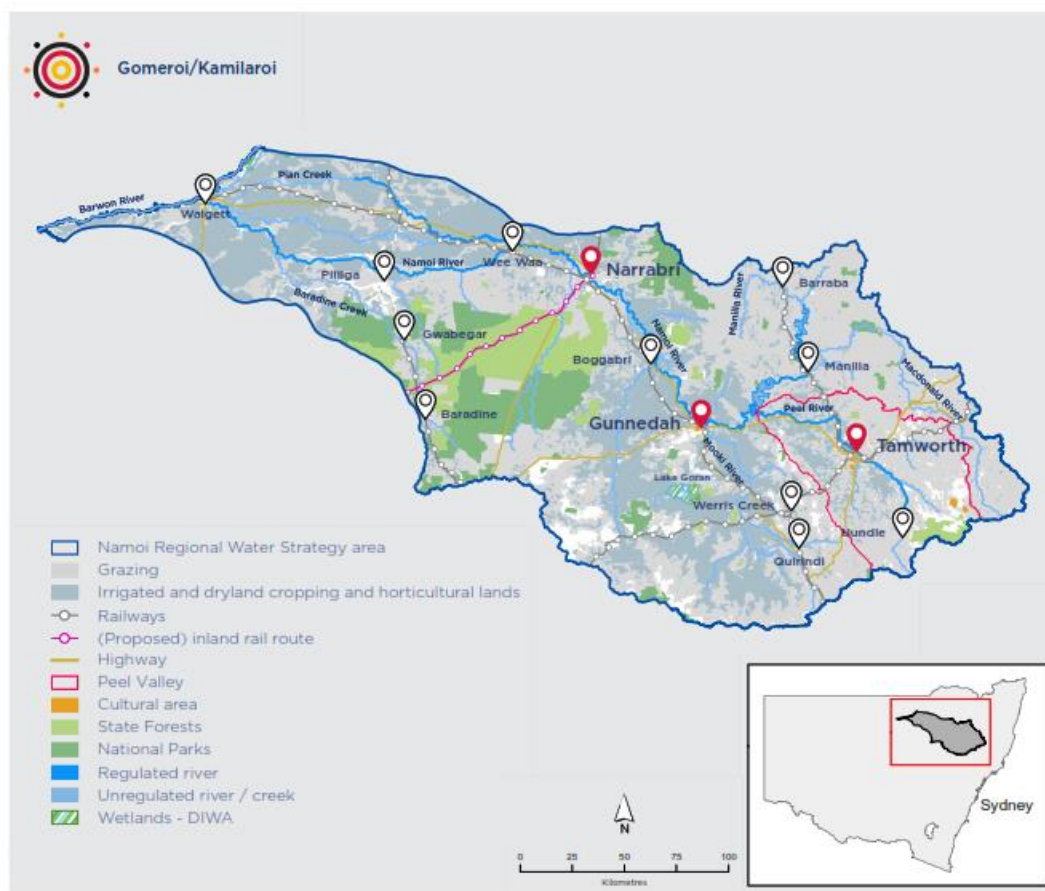


Figure 4. NSW regional water strategies: objectives



The draft strategy details the Namoi Region (Figure 1 below) covers more than 43,000 square kilometres and stretches over 350 kilometres from the Great Dividing Range east of Tamworth, west to the alluvial floodplains that connect to the Barwon Darling River near Walgett.

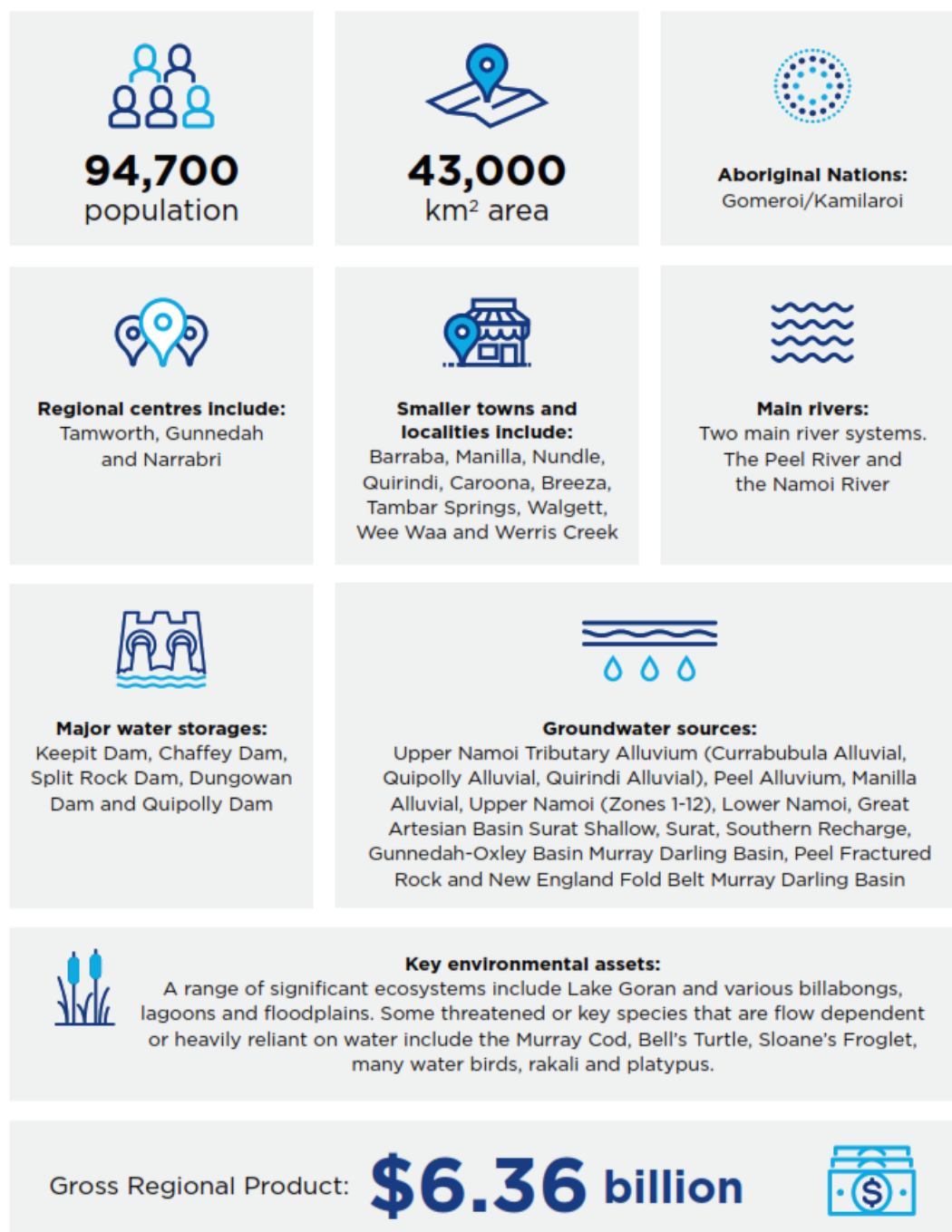
Figure 1. Map of the Namoi region



A snapshot of the Namoi Region taken from the strategy is shown below:

Snapshot

The Namoi region



Council considered a report on the initial draft Namoi Regional Water Strategy at its meeting of 23 March 2021 and resolved as follows:

That in relation to the report “Draft Namoi Regional Water Strategy”, Council:

- (i) *receive and note the report; and*
- (ii) *agree to lodge a submission to the Department of Planning, Industry and Environment (DPIE) which includes the following points:*
 - *the NSW Government and DPIE are to be congratulated on the draft strategy as it is the first comprehensive attempt to look at the issues involving water management in the Namoi and seek solutions;*
 - *Council considers that the definitions for water security and reliability need to be the same when talking about water security from a regional water strategy and from an Integrated Water Cycle Management perspective. It is untenable for water security to be estimated based on different models which could yield different answers for the same centre;*
 - *the possibility that a centre may run out of water on occasion is not possible for a centre the size of Tamworth. The inability to allow a centre to run out of water must be taken into account when considering water security;*
 - *for a growing centre, water security should not just be assessed based on present demand, but also into the future when growth will place further demand on supplies;*
 - *Council supports the Dungowan Dam and Pipeline project as a key component in securing Tamworth's water supply into the future;*
 - *Council agrees that much further work is required to better understand groundwater including the linkages between surface and alluvial water;*
 - *Council believes groundwater users should contribute to the cost of the storage where one of the reasons for releasing water from the storage is for aquifer recharge;*
 - *as part of the consideration of changes to present water sharing rules, consideration needs to be given to the lack of incentives for a centre to save water if the water saved is sold to another customer;*
 - *the Peel Valley is relatively unique when considering the percentage of entitlement from Chaffey Dam held for town water. As a result, there may need to be solutions developed that are unique to the Peel Valley;*
 - *whilst Council supports making water available for the environment, the present 3ML per day releases from Chaffey Dam, regardless of downstream conditions, should be reconsidered. Council has previously suggested the 3ML per day release could be stored in the dam and released as part of a block release which will ensure sufficient water is released to address any environmental concerns identified;*
 - *at Split Rock Dam during the most recent drought, the excessive losses experienced to get water to Manilla, given the relatively small volumes of water required, suggests that the 13GL cut off was insufficient and this amount should therefore be reconsidered;*
 - *Council supports the investigation and roll out of recycled water options, but the issue of what to do with the wastewater from the treatment systems presently on the market is a considerable deterrent for inland centres, and the strategy should include further research into the treatment processes available for recycled water;*
 - *Option 11, which suggests the creation of a critical human needs water license, needs careful consideration because in Tamworth, where approximately 50% of the water is*

used for commercial purposes, there is a real risk that people may have water to drink but no job because their employer has been closed down; and

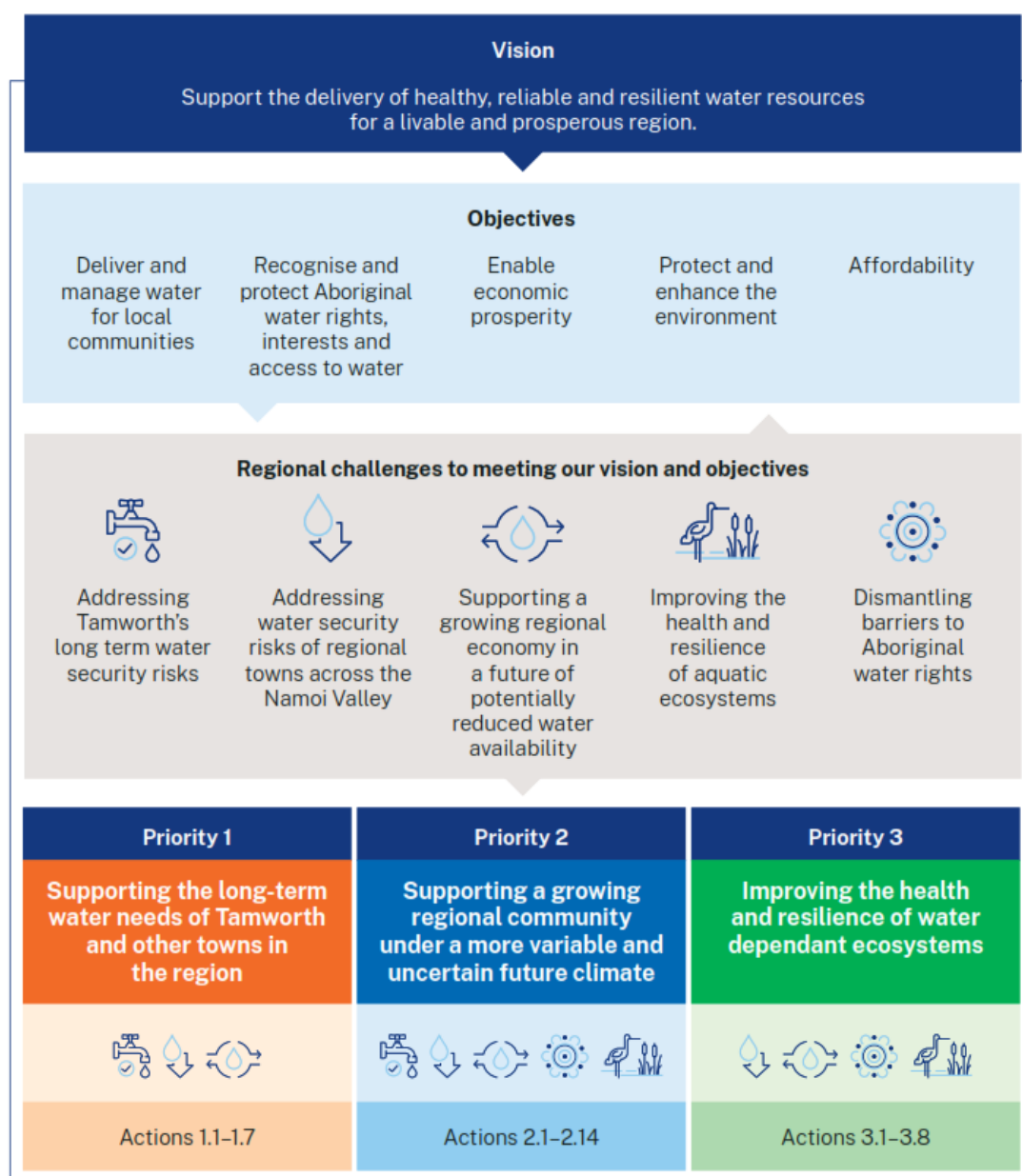
- *Option 38, the voluntary conversion of licenses, should include investigation of the buyback of sleeper licenses in the Peel and if that were undertaken, what, if any, benefits that would produce in terms of increased water security.*

The March 2021 draft contained a long list of options to address identified issues. Since the closure of public submissions, the Government has considered feedback provided and has attempted to prioritise the key water challenges and shortlisted a number of key actions to help meet these challenges.

The Consultation Paper released for public exhibition highlights various regional challenges associated with urban and rural water supply and has identified three priority areas as shown

in the table below:

Figure 2. Proposed water security challenges and priorities for the Namoi region



A copy of the Draft Regional Water Strategy – Namoi, Shortlisted Actions, Consultation Paper is **ATTACHED**, refer **ANNEXURE 1**.

Further detail on the priorities and actions identified in the RWS is shown below:

Priority 1 – Supporting the long-term water needs of Tamworth and other towns in the region:

- the RWS highlights the real risk that Tamworth could run out of water in a severe and prolonged drought and outlines actions that will attempt to address this risk. The reports states that, **“doing nothing is not an option”**. It goes on to say that, **“All**

levels of government need to invest in multiple actions to address Tamworth's long-term water security risks and ensure that the city remains resilient to climate change impacts as its population grows";

- the RWS also notes that surface water sources for Manilla and Barraba are likely to be less reliable than previously thought, with Split Rock Dam estimated to be at dead storage around 0.2% of the time (or 1 year in 500 years); and
- the proposed immediate actions that are required to address the issue are outlined below. It is important to note these actions are in addition to the current NSW Government commitment to build the New Dungowan Dam and pipeline, which the RWS assumes will be completed.

Action 1.1: Confirm the level of water security needed to support large regional towns:

- the NSW Department of Planning and Environment (DPE) which is responsible for water administration and planning, is looking to move beyond the old secure yield criteria (5/10/10) and to embrace the paleo-stochastic climate data and a risk-based approach to town water security; and
- as a result, the level of water security that is appropriate for large regional towns needs to be reviewed and discussed (between the state and TRC). While the time spent in restrictions will still be important, the risk of major water shortfalls and the risk of running out of water is a more important water security consideration. Further to this, the need for an “enduring level of supply” is an important consideration and this drives the need to identify and plan for drought contingency options.

Action 1.2: Improve drought management planning for towns:

- the RWS highlights the need to not only have identified robust emergency drought measures, but also the need to thoroughly plan for and cost these measures. Preplanning and approvals processes need to be completed upfront; and
- revisiting and expanding on the Tamworth Emergency Water Supply Plan will be important to TRC.

Action 1.3: Adopt a stronger focus on water efficiency and demand management:

- while recognising the achievements made to-date by TRC (as a result of formal Demand Management Plans being in place since 2007), the RWS highlights the importance of water efficiency as a key component of future water planning; and
- a new state-wide Water Efficiency Framework is to be rolled out to support councils with implementing measures and programs to improve water efficiency.

Action 1.4: Progress advanced water treatment facilities for industry reliant on town water:

- the RWS outlines the importance of alternative water supplies such as advanced water treatment facilities for commercial/industrial water users connected to town water supplies, supporting long-term growth and water security; and
- the proposed Water Purification Facility is highlighted as a good example of this.

Action 1.5: Reduce uncertainty in groundwater security for regional towns:

- this work has already commenced under the Namoi Regional Town Water Strategy (as noted in the RWS); and
- the RWS notes the NSW Government needs to provide clearer guidance on how local water utility licences will be managed and prioritised in the Namoi Region.

Action 1.6: Plan for the next long term water supply augmentation as Tamworth grows:

- while the RWS assumes the New Dungowan Dam and pipeline are built, the report recognises that this augmentation (along with water efficiency measures) will not be sufficient to provide long term water security to Tamworth; and
- the importance of preparing a comprehensive water security plan is highlighted. Several shortlisted options are also noted, including: additional water treatment facilities (such as Water Purification and Direct Potable Reuse); pipeline from Keepit Dam to Tamworth; pipeline from Manning Valley to Peel Valley; and increasing the water reserves in Chaffey Dam.

Priority 2 – Supporting a growing regional community under a more variable and uncertain future climate:

- the actions shortlisted under this priority focus on strengthening the resilience of the regional economy and help to prepare local communities and industry for a drier, more severe future climate;
- importantly, the RWS notes that Peel and Namoi Valleys are covered by the Murry-Darling Basin Plan and as such, annual water extractions are capped. The report states, *“Any measures that increase the reliability of regulated water supply or encourage an increase in water use by one class of licence holder will mean that we need to reduce the amount of water available to other users to keep total water use within the allowable limit”*;
- key actions include:
 - action 2.1 – Improving river system models (that underpin water management planning);
 - action 2.2 – Further development of groundwater models;
 - action 2.6 – Review water allocations rules for Peel Alluvium (to address concerns about sharing of water between surface water and groundwater users during drought);
 - action 2.7 – Investigate risk of unused licences being activated in the Peel; and
 - action 2.12 – Publish guidance on how and when DPE will make decisions about activation of inactive licences and declines in groundwater levels.

Priority 3 – Improving the health and resilience of water dependant ecosystems:

- the actions shortlisted under this priority focus on:

- achieving shared benefits from water delivery and maximising environmental, social, cultural and economic outcomes when water is used;
- limiting or removing pressures and impacts directly related to water infrastructure;
- improving the health of water resources through better land management; and
- building knowledge and understanding of the region's surface water–dependent and groundwater– dependent ecosystems.

Council has previously provided a submission on the Draft Namoi RWS in the first round of public consultation. Since then, Council staff had the opportunity to review and provide initial feedback on the Draft Consultation Paper (in early August) and this has now been released for public exhibition. Most of the feedback provided by staff on a number of issues have been considered in the final version of the Consultation Paper.

Assuming Council wishes to make a submission, and it is considered important that Council does so, then it is suggested the following points should be included in Council's submission:

- the Consultation Paper does a good job highlighting the critical importance of addressing Tamworth's long-term water security risks. The paper also provides clear actions for the NSW Government and TRC to work together on;
- a key shortcoming of the Consultation Paper is not highlighting the importance of preparing a water security plan for Tamworth in the short-term. The strategy, at least as far as Tamworth's water security is concerned, relies on the new Dungowan Dam resolving any water security concerns in the short-term and suggests a water security plan is a longer-term planning action (as Tamworth grows). Regardless of whether or not the new dam proceeds, a water security plan is needed for Tamworth now. This plan needs to identify a portfolio of demand and supply options to address both short-term and long-term water security; and
- there is a need for the Namoi RWS to be updated if the New Dungowan Dam does not proceed. The current Namoi RWS is predicated on the proposed New Dungowan Dam proceeding. While many of the actions listed in the Consultation Paper (under Priority 1) may still be relevant, the immediate need for a Tamworth Water Security Plan will be even more critical, along with support from the state and federal governments to implement the Plan. The short list of infrastructure and non-infrastructure options that should be considered in the Plan would also need to be reassessed.

(a) Policy Implications

Nil

(b) Financial Implications

Nil

(c) Legal Implications

Nil

(d) Community Consultation

Feedback is now being sought on the Consultation Paper, with public exhibition closing on 18 September 2022. Public information sessions are to be held (by the RWS Team) in:

- Manilla on Wednesday, 7 September (6:30pm at Memorial Town Hall Complex);
- Tamworth on Thursday, 8 September (1:30pm at Wests Diggers Club); and
- Online on Monday, 12 September (via webinar at 12:30pm).

(e) Delivery Program Objective/Strategy

Focus Area 1 – Our water security

8.4 ONGOING MAINTENANCE AND PRESENTATION OF THE LOCKS LANE LAND OWNED BY COUNCIL

DIRECTORATE: WATER AND WASTE

AUTHOR: Bruce Logan, Director Water and Waste

1 ANNEXURES ATTACHED

RECOMMENDATION

That in relation to the report “Ongoing Maintenance and Presentation of the Locks Lane Land owned by Council”, Council:

- (i) agree to the Rural Fire Service undertaking a controlled burn on Council owned land adjacent to Locks Lane;*
- (ii) approve the allocation \$100,000 from the wastewater reserve to undertake initial clean-up work after the controlled burn including:*
 - a. removal of old fences;*
 - b. construction of fences at selected places, where required, including the boundary between private property and Council owned land;*
 - c. upgrading of the old disused road to allow heavy vehicle access to infrastructure in the area;*
 - d. pruning/removal of trees as required; and*
 - e. slashing the area to allow ongoing future mowing;*
- (iii) following completion of the initial work the area be handed over to Sport and Recreation for ongoing maintenance and slashing.*

SUMMARY

The purpose of this report is to seek direction from Council in relation to improving the presentation and ongoing maintenance of the land owned by Council at Locks Lane, Tamworth.

COMMENTARY

Council owns a significant amount of land adjacent to the old Locks Lane. See map **ATTACHED**, refer **ANNEXURE 1**.

The land is earmarked for future sporting fields. At present, however, the area:

- is considered very unsightly, with long grass;
- has numerous old fences along old property boundaries making slashing difficult;
- has a number of structures which are falling down;
- shows evidence of anti-social behaviour and illegal dumping; and
- appears to be used, in part, as a motorcycle track.

A number of significant water and wastewater assets also cross the land. Recently there was a break in one of the water assets and, if not for someone walking their dog, staff would not have known about the break. Finding the actual location to repair was made more difficult by the growth present on the land. Access was made more difficult because of the state of the old unused road. The new Goonoo Goonoo Sewer will also be located in this area.

Council has been approached by the Rural Fire Service (RFS) requesting permission to do a controlled burn of the area to reduce the fire hazard before summer. Assuming the work by the RFS is approved then it is considered this would be an appropriate time to clean up the area and make it possible to be more easily maintained in the future.

Initially this work could include:

- removal of old fences;
- construction of fences at selected places, where required, including the boundary between private property and Council owned land;
- upgrading of the old disused road to allow easier access to infrastructure in the area;
- pruning/removal of trees as required; and
- slashing the area to allow ongoing future mowing.

Whilst the area is an asset owned by the general fund, the presence of the water and wastewater assets and the need to access this infrastructure immediately in the event of a problem, suggest it would be possible for the initial work to be paid for by one or both of the water/wastewater funds.

After the initial clean-up it is considered, the ongoing maintenance should be the responsibility of the general fund and Sports and Recreation.

(a) Policy Implications

Nil

(b) Financial Implications

It is estimated the proposed initial work could cost in the vicinity of \$100,000 once the RFS burn has been completed. This work could be funded from the Wastewater Reserve.

Ongoing maintenance would be funded from the general fund

(c) Legal Implications

Nil

(d) Community Consultation

Nil

(e) Delivery Program Objective/Strategy

Focus Area 2 – A liveable built environment

8.5 EVAPORATIVE AIR CONDITIONER WATER CONSUMPTION STUDY

DIRECTORATE: WATER AND WASTE

AUTHOR: Louise Cadell, Sustainability Officer - Water

Reference: Item 12.6 to Ordinary Council 9 February 2021 - Minute No 21/21

RECOMMENDATION

That in relation to the report “Evaporative Air Conditioner Water Consumption Study”, Council agree to take part in the Evaporative Air-conditioner study.

SUMMARY

In the summer of 2019, at the height of the worst drought in history, Tamworth, Moonbi and Kootingal residents were on level 5 water restrictions and Chaffey Dam dropped to 12.8%. During this time, residents water use was restricted to 150L per person per day and high-level analysis suggests Evaporative Air Conditioning (EAC) units accounted for a significant percentage of this residential water use.

In 2021, council staff undertook an Expression of Interest (EOI) process to identify suitably qualified consultants that may then be invited to submit a Tender to conduct an EAC water consumption study. The goal of the study was to better understand the volume of water consumed by EAC units, to improve Council’s preparedness for future drought events. However, due to the cost involved, Council resolved to not proceed with the study.

Since then, Council staff have been advocating for the NSW Government to undertake a study of the water consumption of EAC’s. The Government has now made funding available and Council has been invited to take part in the study.

COMMENTARY

It is estimated that the city of Tamworth has more than 8,000 EAC units on rooftops of residential properties. During the summer months, high level analysis indicates Tamworth, Moonbi and Kootingal’s daily water consumption can increase by an additional 5 Megalitres per day from the use of these EAC’s.

Currently, there is very little information available to Council in this space, with previous studies on EAC use not reflective of the Tamworth region climate and not providing a thorough breakdown of water consumption trends.

Council has previously accepted the benefit in establishing accurate data around EAC water consumption, in order to better inform future decision-making processes and help shape education campaigns. In February 2021, an Expression of Interest process was undertaken to help identify suitably qualified consultants to tender to conduct a study on EAC unit water use. Due to the cost put forward by applicants to complete the study at the time, Council resolved to not proceed to tender.

However, collecting this water consumption data has remained a priority for Council staff. Throughout 2021 and 2022, staff have participated in a number of water efficiency workshops hosted by the Department of Planning and Environment (DPE), as part of the NSW Government's development of a state-wide Water Efficiency Framework and Program. During these workshops, staff have advocated for further research to be undertaken around EAC unit water consumption.

The NSW Government, through the DPE, has now agreed to fund a water consumption study and engaged a research institute to conduct the work. A number of Councils west of the Great Dividing Range have indicated they are interested in participating in the study. Council's being involved and partially offsetting the cost of the investigation ensures the largest number of units will be tested. Additionally, Taggle Systems, the company which provides Automatic Meter Reading systems to several Councils west of the Great Divide and has been engaged to roll out Automatic Meter Reading across TRC, has also indicated it is interested in supporting the research through the use of smart water meters.

The cost to Council to participate in the study would be an in-kind cost through the use of an in-house plumber to install in-line meter units on the EAC at individual properties. Or, if no in house plumber is available, then for the Council to engage a plumber to undertake this work. Tamworth Regional Council does not employ in house plumbers so would be required to engage a plumber.

Assuming the five Councils that have expressed interest do actually take part in the study, then the consumption of 100 EAC's will be investigated.

(a) Policy Implications

Nil

(b) Financial Implications

A part of the study, Council would be required to pay for the cost of installation of in line meters on 20 residential properties with an EAC.

The cost of this work is estimated at \$3,000 and could be funded from existing budgets.

(c) Legal Implications

Nil

(d) Community Consultation

Nil

(e) Delivery Program Objective/Strategy

Focus Area 1 – Our water security

9 GOVERNANCE, STRATEGY AND FINANCE

9.1 RAY WALSH HOUSE - ASBESTOS REMOVAL AND REFURBISHMENT

DIRECTORATE: OFFICE OF THE GENERAL MANAGER

AUTHOR: Paul Bennett, General Manager

1 ANNEXURES ATTACHED

1 CONFIDENTIAL ENCLOSURES ENCLOSED

RECOMMENDATION

That in relation to the report “Ray Walsh House - Asbestos Removal and Refurbishment”, Council engage Public Works from the Department of Regional NSW as Project Manager to undertake the project on Council’s behalf based on the service fee schedule disclosed in the Confidential Enclosure.

SUMMARY

Council’s administrative headquarters, Ray Walsh House, is currently being vacated due to the failure of the air conditioning system servicing three of the five floors of the building. The air conditioning systems are unable to be repaired or serviced due to the presence of friable asbestos in the form of sprayed Vermiculite fire protection to structural steel floor members.

To allow the replacement of the air conditioning systems Council intends to remove all asbestos containing materials (ACM) within the entire building. To facilitate the removal of all ACM demolition of a significant amount of the existing internal structure is required.

COMMENTARY

The project to remove asbestos containing material (ACM) and then fully refurbish Ray Walsh House is a significant undertaking requiring high levels of expertise and experience. While Council has numerous high calibre, professional project managers, none of them have experience in this particular area of ACM management and construction.

Council therefore needs to identify and appoint a suitably qualified project management organisation to take carriage of the project from inception through to completion. Public Works (as part of the Department of Regional NSW) was approached in early July to enquire as to how they may be able to assist in the management of the work involved in the asbestos removal and refurbishment of the building.

Public Works have significant experience and expertise in asbestos removal, building construction and office fit outs, having completed several projects similar in nature in recent times. Full details of their proposal to Council, excluding commercial in confidence information on Page 15, is included **ATTACHED** refer, **ATTACHMENT 1** to this report. The commercial in confidence fee schedule has been included for Councillor information only **ENCLOSED**, refer **CONFIDENTIAL ENCLOSURE 1**.

The proposal has been considered by the Executive Team and their relevant professional staff and is considered to demonstrate a good understanding of the requirements of each phase of the project, high levels of experience and expertise relevant to the required works, and competitive fees for a complex project of this type. Section 55 3(b) of the Local Government Act provides that because Public Works is a State Government Agency, Council does not have to undertake a formal tender process for “a contract entered into by a council with the Crown (whether in right of the Commonwealth, New South Wales or any other State or a Territory), a Minister of the Crown or a statutory body representing the Crown”.

It is recommended that Council engage Public Works as per their proposal with further ongoing updates provided to Council through each phase of the project.

(a) Policy Implications

Nil

(b) Financial Implications

Phase 1 of the project will be included in the September Quarterly Budget Review Process, with future Phases budgeted for once the total project scope and design process is completed.

(c) Legal Implications

Nil

(d) Community Consultation

Nil

(e) Delivery Program Objective/Strategy

Focus Area 9 – Open and collaborative leadership

9.2 RAY WALSH HOUSE - STAFF RELOCATION

DIRECTORATE: OFFICE OF THE GENERAL MANAGER

AUTHOR: Rami Abu-Shaqra, Chief Financial Officer

Reference: Item 12.3 to Ordinary Council 26 July 2022 - Minute No 221/22
Item 12.6 to Ordinary Council 9 August 2022 - Minute No 195/22

RECOMMENDATION

That in relation to the report “Ray Walsh House – Staff Relocation”, Council;

- i) receive and note the report;*
- ii) endorse the emergency expenditure incurred to date under Section 55(3); and*
- iii) request further updates on any additional expenditure required to finalise the relocation of staff from Ray Walsh House.*

SUMMARY

The purpose of this report is to update council on the progress being made in relocating staff from Ray Walsh House (RWH), including the estimated capital expenditure (capex) and operational expenditure (opex) for the current financial year 2022/23 and the following two years.

COMMENTARY

Earlier this year the air conditioning systems servicing three of the five floors in Ray Walsh House failed resulting in no heating, cooling or air circulation in those spaces. The air conditioning systems are unable to be repaired or serviced due to the presence of friable asbestos in the form of sprayed Vermiculite fire protection to structural steel floor members.

To allow the replacement of the air conditioning systems, Council intends to remove all asbestos containing materials (ACM) within the entire building, meaning that all staff need to be evacuated from the building and relocated into suitable accommodation.

The appointed, multi skilled project team has been working in consultation with Councillors and Executive staff to identify alternate office solutions that will achieve the overarching goal of relocating staff as soon as practicable whilst having minimal impact on their wellbeing and productivity. The following objectives were identified as priorities:

- staff to remain located in the CBD where at all possible;
- utilise Council's own office buildings and other premises where possible, without compromising community needs, before exploring commercial spaces; and
- negotiate the best possible value for expenditure on and in identified premises while keeping long term benefits in mind.

To deliver on these objectives, the management team have considered the following options in relation to accommodating staff for the next three (3) years. It is anticipated that the permanent accommodation solution will be resolved at the end of the period.

Four primary options were considered following the issues with the air conditioning in RWH and need to address the presence of the ACM as follows;

Option 1: Continue occupation of RWH Ground Floor and Level 4

For staff who were located in levels 1, 2 and 3, it was not possible to provide a safe work environment and staff needed to be relocated immediately given the heating and cooling issues. Staff working on the Ground and Fourth floors could continue to work in these areas while the air-conditioning system supporting those floors is still operational. However, if this system fails the entire building is unable to be utilised. Also, no work on removing the ACM can be undertaken while any staff remain in the building.

Option 2: Relocate RWH staff to council-owned facilities only

This was clearly our first priority, and while this option may look feasible there were a number of challenges identified as follows:

- some of Council's buildings would require a sizable investment to convert them into suitable office space and then when staff leave the site more money would need to be spent to return the building back to its original status (e.g. TRECC, Town Hall, Community Centre);
- occupation of potentially suitable buildings would mean depriving the community of community service resources (e.g. TRECC, Town Hall, Community Centre);
- negotiations with significant commercial entities for facilities such as the flight training college would have to be abandoned; and
- some buildings are located a significant distance from the CBD (e.g. Flight College – Airport, TRECC).

Option 3: Relocate RWH staff to commercial premises only

This option would have been the quickest and easiest to implement as most suitable premises are in the CBD area and moving staff to them would minimise any disruption to the operations of council-owned buildings. However, this option would have been the most

costly and would not deliver value for money over the mid to long term for the following reasons;

- Council will pay an annual rent to house 270+ staff (approx. \$900K given the prevailing market rental rate and space required) whilst some of Council's own office style buildings are under-utilised; and
- The capital cost required to make these premises fit for purpose would be mostly wasted as council has to hand these premises back to their owners after 3 years.

Option 4: Combination of options 2 and 3

Councillors were consulted and agreed to relocate as many staff as possible to suitable Council owned commercial buildings (Lands building, Parry House, 474 Peel Street, Sports Dome and Peel House) before looking into leasing commercial space. This hybrid model ensures that council will achieve all stated objectives:

- help protect the Tamworth economy by keeping as many staff as possible in the CBD;
- keep community buildings available for community use;
- invest in upgrading council-owned commercial buildings to house RWH staff first with the benefit of having these buildings ready for commercial lease as and when staff vacate these buildings in the future; and
- sensibly invest in commercially leased building in a way that has building owners co-investing in making the office space fit for purpose, maximising occupancy by using contemporary fit out options.

To assist and inform the decisions that were needed to implement Option 4, the Executive Team visited two similar sized councils who have recently undertaken projects to either fully renovate or rebuild their administration buildings (Lake Macquarie and Maitland). This gave the Executive Team the opportunity to see firsthand examples of the best applications for furniture and fixtures, how to maximise the utilisation of space, and adopting sustainable design principles. Discussion also focussed on potential pitfalls and learnings in undertaking a project of this scale. Information gained from both Councils has assisted our Executive Team as they worked through the best approach to a more contemporary way of working – using their experience as a benchmark.

The project team have since endeavoured to source office solutions that will serve the council not just in the transitional period but also remain fit for future purpose when the permanent accommodation solution is resolved.

As council proceeds with implementing Option 4 above, there has been regular and ongoing communication with the councillors, staff and the wider community. Formal Council approval has been obtained for two commercial leases that will accommodate around 120 staff and feedback from staff has been incorporated into fit-out design and amenities. The following table provides a summary of how the RWH staff have/will be relocated across the identified premises:

Location	Address	Teams
Parry House (Level 2)	Level 2, 472 Peel Street Tamworth	<ul style="list-style-type: none"> • Water & Waste • Risk & Safety • People & Culture • Finance
Peel House	24 Fitzroy Street Tamworth	<ul style="list-style-type: none"> • Economic Development • Growth & Prosperity
Lands Building	25 Fitzroy Street Tamworth	<ul style="list-style-type: none"> • Events
Northern Daily Leader Building	179 Marius Street Tamworth	<ul style="list-style-type: none"> • Level 2: Regional Services • Level 3: Communications and Strategy & Performance • Level 4: Executive Team (Directors) and Executive Services
Roberts and Morrow Building	127 Marius Street Tamworth	<ul style="list-style-type: none"> • IT • Legal • Internal Audit • Records
Tamworth Sports Dome	7-9 Jack Smyth Drive, Tamworth	<ul style="list-style-type: none"> • Sport & Recreation
474 Peel Street (near Parry House)	474 Peel Street Tamworth	<ul style="list-style-type: none"> • Customer Service • Liveable Communities

The need to identify accommodation for a significant number of staff in order for Council to continue its operations created an emergency situation where decisions and actions needed to occur quickly. The General Manager, in consultation with the Internal Auditor, utilised the provisions of Section 55(3) of the Local Government Act to avoid the need to undertake a formal tendering process which would have delayed progress for several months. The use of this provision has been disclosed and discussed with the Audit, Risk and Improvement Committee (ARIC) who raised no concerns but suggested that Council undertake an independent probity audit of the process. It is anticipated that this audit will assure Councillors and the community that the decisions made were appropriate, well considered, and subject to an internal due diligence process.

Councillors are acutely aware that the construction environment has had significant increases in pricing over the past 12 months and the ability to source materials, furniture and skilled labour at such short notice has been challenging. However, staff anticipate that when the longer-term project to refurbish RWH commences it may be possible to gain greater efficiencies in costs due to scale and the ability to conduct an open tender process.

Despite having to relocate staff within a very short time frame, the relocation has considered the short and long-term requirements of council, staff and community. The Executive Team and Relocation Project Team have been cognizant of the impact of this unbudgeted cost on the financials of the council which are already stretched under the current inflationary pressures. To ensure value for money, the Relocation Project Team was able to achieve the following:

- High utilisation of Council owned buildings to accommodate approximately 160 staff from RWH. This represents around 60% of total RWH staff to be relocated;

- relocation and reuse of existing furniture where possible taking into consideration maximising utilisation of floor space;
- with the support and expertise of our local contractor, Formline, investment in the fit-out of council's own buildings has been undertaken in a manner that addresses both staff and operational requirements whilst enhancing the value of these buildings to attract future commercial tenants once staff have been permanently relocated in approximately three years' time; and
- **appropriate** commercial buildings were identified through an extensive search process followed by negotiations with owners of shortlisted properties to get better value for money through reduced rental, grace periods before occupancy, owner contribution towards fit-outs and/or outgoings, and utilising any available furniture that was already present in those venues.

Council is reminded that we are fortunate to have professional staff in both our Commercial Property (real estate) and Building Services (trades) areas that have been able to provide advice and assurance regarding costs associated with leasing, capital works, operating expenses, and acquisition of furniture and fittings.

In addition, it should be noted that the development applications for the upgrade works at both Parry House and 474 Peel Street triggered the need to address building compliance issues relating to access, amenities and fire safety which were in addition to the relatively minor works required to actually accommodate the staff. The result is that both buildings will now be fully compliant with current building standards and ready for commercial lease at the end of Council's occupation.

The relocation work that commenced in June is planned to be finalised in October. The expected additional (unbudgeted) cost that will impact this financial year and the following 2 years are expected to be as follows:

	Capex	Opex 2022/23	Opex 2023/24	Opex 2024/25
Commercial Buildings:				
Rent		\$304,478	\$399,393	\$412,736
Building Works ¹	\$443,620			
Furniture	\$538,851			
Council Buildings:				
Building Works ²	\$896,000			
Furniture	\$357,252			
Total Cost	\$2,235,723	\$304,478	\$399,393	\$412,736
Expected to be Funded by:				
Water and Sewer funds	\$500,000			
General Fund	\$1,735,723			
Total Funding	\$2,235,723			

1. Includes all cost, except furniture and white goods that can be removed upon vacating, that make the premises fit for purpose and compliant with applicable regulations: electrical work, A/C, mechanical, fire drenches etc. Note that some of that cost will be co-funded by the owners of the commercially leased buildings. This cost will be depreciated over the lease term (i.e. 3 years).
2. Building works for council owned buildings is capitalised and depreciated according to council accounting policy.

The above table reveals the following:

- 120 staff will occupy the commercially leased premises, costing council approx. \$3,333 average rent per staff per annum.
- out of the approximate \$1m that council is investing in the commercially leased buildings of Old NDL and 127 Marius Street, around 55% relates to furniture and other equipment that will be retained by council at the end of the lease period to be re-used in its permanent office space; and

Council will be able to fund the unbudgeted relocation costs for the 22/23 year from:

- extra investment revenue over above the forecast amount due to increasing interest rates;
- reallocation of operating budgets due to the cessation of services at Ray Walsh House;
- additional rate income for 22/23 including variation granted to council by IPART in June 2022; and
- utilisation of unrestricted cash that is held for emergency unbudgeted expenditure (also known as working funds).

Notwithstanding the above, like many businesses Council is faced with broad inflationary pressures and supply chain issues that are impacting on our ability maintain service levels. Any further unanticipated or unbudgeted cost in 2022/2023 will need to be considered and carefully managed in close consultation with Council, the community, and other levels of government.

(a) Policy Implications

Nil

(b) Financial Implications

As detailed in the body of the report.

(c) Legal Implications

Nil

(d) Community Consultation

Nil

(e) Delivery Program Objective/Strategy

Focus Area 9 – Open collaborative leadership

10 COMMUNITY SERVICES

Nil

11 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.

PROPOSED SALE OF COUNCIL LAND

DIRECTORATE: GROWTH AND PROSPERITY
AUTHOR: Luke Stevenson, Commercial Property Officer
Reference: Item 12.1 to Ordinary Council 8 June 2021 - Minute No 167/21
4 CONFIDENTIAL ENCLOSURES ENCLOSED

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 update Council on progress of a proposal from the Tamworth Aboriginal Medical Service (TAMS) and seek authorisation for the Mayor and General Manager to negotiate the sale of land identified as part of Hyman Park Lot 2 DP126030.

RENEWAL OF LEASE FOR COMMERCIAL PROPERTY SUITE 2, 468-472 PEEL STREET

DIRECTORATE: GROWTH AND PROSPERITY
AUTHOR: Luke Stevenson, Commercial Property Officer
Reference: Item 14.2 to Ordinary Council Meeting held 10 April 2022 - Minute No 128/18
Item 14.3 to Ordinary Council Meeting held 12 March 2019 - Minute No 74/19

The Council will determine this matter in part of the meeting closed to the public pursuant to Section 10A(2) (c)&(d)ii 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 information that would, if disclosed, confer a commercial advantage on a competitor of Council.

SUMMARY

The purpose of this report is to authorise the renewal of a commercial lease agreement between Council and The Australian Broadcasting Corporation (ABC).

LEASE AGREEMENT AND OPERATION OF VISITOR INFORMATION CENTRE CAFE

DIRECTORATE: GROWTH AND PROSPERITY

AUTHOR: Luke Stevenson, Commercial Property Officer

2 CONFIDENTIAL ENCLOSURES ENCLOSED

The Council will determine this matter in part of the meeting closed to the public pursuant to Section 10A(2) (c),(d)i&(d)ii 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., 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

The purpose of this report is to seek Council's authorisation for the new proposal for the operation of the café at the Visitor Information Centre (VIC).

CALALA WATER TREATMENT PLANT 3.3kV TO 415V ELECTRICAL CONVERSION

DIRECTORATE: WATER AND WASTE

AUTHOR: Daniel Coe, Manager - Water and Environmental Operations

1 CONFIDENTIAL ENCLOSURES ENCLOSED

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 Calala Water Treatment Plant (WTP) was commissioned in 1980. The high voltage electrical supply to the WTP that supplies power to the pumping system is approaching the end of its useful life and limited spares are now available. As part of Council's water capital works program, funding has been provided to convert the existing 3,300-volt system to 415-volt power supply. This would essentially renew all of the high voltage power supply to the pumping system.

The purpose of this report is to recommend the acceptance of a Tender for the electrical upgrade required for the Calala Water Treatment Plant. This report discusses the merits of the Tenders received, analysis based on selection criteria, and recommends a preferred Tenderer.