



LITHGOW CITY COUNCIL

MINUTES

ORDINARY MEETING OF COUNCIL

HELD ON

17 SEPTEMBER 2007

**MINUTES OF THE LITHGOW CITY COUNCIL MEETING
HELD AT THE CIVIC CENTRE, LITHGOW ON 17 SEPTEMBER 2007**

Meeting Commenced 7.00pm

Public Gallery: 27

PRESENT

His Worship the Mayor
Councillor Neville Castle
Councillor B P Morrissey
Councillor W McAndrew
Councillor H K Fisher
Councillor B S Moran
Councillor M M Collins
Councillor A E Thompson
Councillor M J Wilson

APOLOGIES

An apology was received and accepted from M F Ticehurst who was out of the City on personal business

MOVED: Councillor H K Fisher **SECONDED:** Councillor W McAndrew.

07-413 RESOLVED

CARRIED

Also in attendance

General Manager, Mr Paul Anderson
Group Manager Regional Services, Mr Andrew Muir
Group manager Community and Corporate Services, Ms Kathy Woolley
Minutes Secretary, Miss Casey Clarke
Executive Assistant, Miss Cortney Wood

CONFIRMATION OF MINUTES

Confirmation of the Minutes of the Ordinary Meeting of Council held on the 20 August 2007 were taken as read and confirmed by Councillors M J Wilson and M M Collins

07-414 RESOLVED

CARRIED

DECLARATION OF INTEREST

His Worship the Mayor called for Declarations of Interest on any matter before the Meeting.

Councillor M J Wilson declared a pecuniary interest in Item 10 as he is a board member of a Company subject to the report.

QUESTIONS FROM THE PUBLIC GALLERY

At 7.00pm members of public gallery were invited to address questions through the Mayor to Councillors and Staff: -

QPG - 17/9/07 - MARLENE BRINCKLEY

Question 1

How does Portland Pool come under donations to a group within the community as it is listed in the Auditors report as an asset to Lithgow City Council?

Council's donation policy, in part, specifies that donations be made available to "support local projects and activities which benefit the community or communities within the Local Government Area". As such a donation to the Portland Pool has been granted a donation in the 2007/08 Management Plan in line with Council's policy.

Council lists the Pool as a controlled asset due to the formal agreement between the Council and the Portland Pool Committee which details that, in the event that the Committee does not continue to operate the facility, the facility will be passed to Council. This agreement was put in place in light of Council providing funds for the resurfacing works on the 50M pool currently under way which have an estimated value of around \$200,000.

Question 2

How much other money does Council give to Portland Pool and is it classed as a donation.

In the 2007/08 Management Plan Council has two items relating to the Portland Pool:

- \$5,000 – which is funded through the donations process*
- \$200,000 for resurfacing works on the 50M pool for which Council has resolved to take a 15 year loan.*

TABLE OF CONTENTS

<u>ITEM</u>	<u>TITLE</u>	<u>PAGE</u>
<u>ITEM:1</u>	<u>MAYORAL MINUTE - 17/09/07 - ACTING MAYOR FEE - JULY 2007</u>	
<u>GENERAL MANAGER REPORTS</u>		
<u>ITEM:2</u>	<u>GM - 17/09/07 - SHREWSBURY & ATCHAM BOROUGH COUNCIL</u>	
<u>ITEM:3</u>	<u>GM - 17/09/07 - CONFIDENTIAL REPORT - PROPOSED SALE OF FORMER GAS WORKS SITE CONFIDENTIAL</u>	
<u>ITEM:4</u>	<u>GM - 17/09/07 - 2006/07 GENERAL PURPOSE FINANCIAL REPORTS</u>	
<u>ITEM:5</u>	<u>GM - 17/09/07 - LITHGOW SEWERAGE TREATMENT PLANT STAGE 2</u>	
<u>REGIONAL SERVICES REPORTS</u>		
<u>ITEM:6</u>	<u>REG - 17/09/07 - LINING OF SLUDGE LAGOONS - LITHGOW WATER TREATMENT PLANT</u>	
<u>ITEM:7</u>	<u>REG - 17/09/07 - WATER FLUORIDATION</u>	
<u>ITEM:8</u>	<u>REG - 17/09/07 - UPDATE ON CURRENT LEGAL MATTERS</u>	
<u>COMMUNITY AND CORPORATE SERVICES REPORTS</u>		
<u>ITEM:9</u>	<u>COMM - 17/09/07 - CONFIDENTIAL REPORT - ABORIGINAL PLACE NOMINATION CONFIDENTIAL</u>	
<u>ITEM:10</u>	<u>COMM - 17/09/07 - SEC 356 DONATIONS</u>	
<u>ITEM:11</u>	<u>COMM - 17/09/07 - COUNCIL INVESTMENTS AUGUST 2007</u>	
<u>ITEM:12</u>	<u>DELEGATES REPORT - 17/09/07 - CENTROC MEETING HELD ON 30TH AUGUST 2007</u>	
<u>ITEM:13</u>	<u>DELEGATES REPORT - 17/09/07 - MINING RELATED COUNCILS EXECUTIVE COMMITTEE MEETING HELD ON 31ST AUGUST 2007</u>	

ITEM:1 MAYORAL MINUTE - 17/09/07 - ACTING MAYOR FEE - JULY 2007

ITEM MAYORAL MINUTE - 17/09/07 - ACTING MAYOR FEE - JULY 2007

COMMENTARY

As Council is aware I was recently on annual leave outside of Australia and during this time the Deputy Mayor Councillor B S Moran acted in the Office of Mayor.

Given the time I was absent (29/6/07 - 06/08/07) and unable to attend any official or formal functions as the Mayor, I feel that it is warranted that the Deputy Mayor receive the Mayoral allowance for this period.

Under S249 of the Local Government Act 1993 the Council may pay the Deputy Mayor a fee for the time the Deputy Mayor acts in the Office of the Mayor. Any such fee paid is deducted from the Mayors annual fee.

On the basis of this provision, I suggest that Council consider paying the Deputy Mayor, the full Mayoral allowance for the period 29th June 2007 to 6th August 2007. This fee will be deducted from my annual Mayoral allowance.

POLICY IMPLICATIONS

NIL

FINANCIAL IMPLICATIONS

NIL

LEGAL IMPLICATIONS

NIL


ATTACHMENTS

1. Local Government Act 1993 Sec 249

RECOMMENDATION

THAT Council determine that the Deputy Mayor Councillor B S Moran receive the full Mayoral allowance (in addition to the Councillor allowance) for the period of 29th June 2007 to 6th August 2007 and that such a fee be deducted from the Mayors annual fee in accordance with the provision of Sec249 of the Local Government Act 1993.

Signed:


MAYOR

07-415 RESOLVED

THAT Council determine that the Deputy Mayor Councillor B S Moran receive the full Mayoral allowance (in addition to the Councillor Allowance) for the period of 29th June 2007 to 6th August 2007 and that such a fee be deducted from the Mayors annual fee in accordance with the provision of Sec 249 of the Local Government Act 1993.

MOVED: Councillor Neville Castle

CARRIED

DRAFT

GENERAL MANAGER REPORTS

ITEM:2 GM - 17/09/07 - SHREWSBURY & ATCHAM BOROUGH COUNCIL

SUMMARY

To advise correspondence from the Mayor of Shrewsbury & Atcham Borough Council.

COMMENTARY

Correspondence has been received from the Mayor of Shrewsbury & Atcham Borough Council thanking the Mayor, Neville Castle and his family for visiting their histories Borough on his recent visit to the United Kingdom.

The Mayor of Shrewsbury advised that his Council are always keen to form friendships with other communities and there is clearly an historic link between Lithgow and Shrewsbury as the famous son, Charles Darwin visited this area on the return journey of the Beagle.

Discussions are underway with the British Council, The Open University and the Field Studies Council to create a partnership that can develop the Bi Annual Darwin Debate for Young Students. This event is hoped to include contribution from students around the globe in 2009 and Shrewsbury Council hopes Lithgow will be a part of this event.

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Nil

LEGAL IMPLICATIONS

Nil

RECOMMENDATION

THAT the information be received.

07-416 RESOLVED

THAT:

1. The information be received

MOVED: Councillor M M Collins

SECONDED: Councillor M J Wilson.

CARRIED

ITEM:3 GM - 17/09/07 - CONFIDENTIAL REPORT - PROPOSED SALE OF FORMER GAS WORKS SITE CONFIDENTIAL

Reason for Confidentiality

In accordance with the Local Government Act 1993 and the Local Government (General) Regulation 2005, in the opinion of the General Manager, the following business is of a kind as referred to in section 10A(2) of the Act, and should be dealt with in a part of the meeting closed to the media and public.

Set out below is section 10A(2) of the *Local Government Act 1993* in relation to matters which can be dealt with in the closed part of a meeting.

The matters and information are the following:

- (a) personnel matters concerning particular individuals (other than councillors)
- (b) the personal hardship of any resident or ratepayer
- (c) information that would, if disclosed, confer a commercial advantage on a person with whom the council is conducting (or proposes to conduct) business
- (d) commercial information of a confidential nature that would, if disclosed:
 - (i) prejudice the commercial position of the person who supplied it, or
 - (ii) confer a commercial advantage on a competitor of the council, or
 - (iii) reveal a trade secret
- (e) information that would, if disclosed, prejudice the maintenance of law
- (f) matters affecting the security of the council, councillors, council staff or council property
- (g) advice concerning litigation, or advice that would otherwise be privileged from production in legal proceedings on the grounds of legal professional privilege
- (h) information concerning the nature and location of a place or an item of Aboriginal significance on community land.

This report is **CONFIDENTIAL** in accordance with Section 10A(2)(c) of the Local Government Act 1993, which permits the meeting to be closed to the public for business relating to the following: -

- (c) information that would, if disclosed, confer a commercial advantage on a person with whom the council is conducting (or proposes to conduct) business

It is not in the public interest to reveal all details of these tenders or the assessment process. Tenderers have provided sensitive information about their operations in the confidence that their details will not be made public by council. The practice of publication of sensitive information provided by tenderers could result in the withholding of such information by tenderers and reduction in the provision of information relevant to council's decision.

SUMMARY

This report provides Council with an update of the recent Expressions Of Interest (EOI) process for the sale of the former gas Works site.

This report will seek Council's determination with respect to the offers received.

07-417 RESOLVED

THAT Council consider this report in closed Council pursuant to the provision of Sec 10(A)(2)(c) of the Local Government Act 1993.

MOVED: Councillor B P Morrissey

SECONDED: Councillor M J Wilson.

CARRIED

ITEM:4 GM - 17/09/07 - 2006/07 GENERAL PURPOSE FINANCIAL REPORTS

REPORT FROM: INTERNAL SERVICES MANAGER – C FARNSWORTH

REFERENCE

Min 06-183: Council Meeting 19 June 2006
Min 06-368: Policy and Strategy Committee Meeting 6 November 2006
Min 06-369: Policy and Strategy Committee Meeting 6 November 2006
Min 07-40: Finance and Services Committee Meeting 5 February 2007
Min 07-204: Council Meeting 21 May 2007
Min 07-342 Finance and Services Meeting 6 August 2007

SUMMARY

To advise of the completion of the 2006/07 General Purpose Financial Reports and seek Council authorisation as required by Chapter 13, Part 3, Division 2 of the Local Government Act 1993 to present the reports to the auditors.

This report will also recommend Council invite the Auditors to present a formal report to the results to the meeting of the Finance and Services Committee on the 19 November 2007.

COMMENTARY

Councils 2006/07 'Draft' General Purpose Financial Reports are submitted to Council for acceptance as required by Chapter 13, Part 3, Division 2 of the Local Government Act 1993 to present the reports to the auditors.

Principal reports are attached and a complete set of reports will be tabled at the meeting.

2006/07 GENERAL PURPOSE FINANCIAL REPORTS - OVERVIEW

Net Operating Result

Council's final draft result for the 2006/07 financial year, including Capital Income and Contributions is a surplus of \$3,347,000 (2005/06 surplus of \$959,000). Total Assets of \$206,191,000 and liabilities of \$6,669,000 resulting in Equity of \$187,808,000.

Net Operating Result Before Capital Grants & Contributions

The 2006/07 operating result, before abnormal and capital items, is a surplus of \$162,000 (2005/06 deficit of \$1,802,000)

The following 2006/07 Capital grants and contributions of \$2,183,000 contributed to the result:

- Capital grants and contributions in summary:

Lithgow STP Augmentation	\$254,764
RTA Cycleway	\$46,363
Forests NSW Dark Cnr	\$242,202
Pool complex	\$700,000
Crystal Theatre Delta	\$10,000
Roads to Recovery	\$400,000
Eskbank House Courtyard	\$7,170
Flood Mitigation	\$270,000
Developer Contributions	\$310,000
Headwork Charges	\$164,000

- Acquisitions or improvement to assets \$4,832,000 and in summary:

Plant	\$1,174,000
Road & Ancillary Works	\$1,570,000
Drainage (Inc Flood Works)	\$116,000
Sewerage Infrastructure	\$951,000
Water Infrastructure	\$407,000
Cary Gardens	\$47,000
Meadow Flat Hall	\$350,000

- Sale of plant assets for \$302,000 cash, and write off of the book value of those assets of \$352,000, to produce a nett loss of \$50,000.
- Relinquish Crown lease for 'old' Portland Fire Station and Blinky Bill premises for a non cash transaction of \$296,000, and write off of the book value of those assets of \$126,000, to produce a nett loss of \$170,000.
- Operating revenues increased by \$5,502,000 to \$27,613,000 compared to the 2005/06 result of \$24,871,000 (includes Capt Grants and contributions of \$3,185,000)

Revenue comparatives:

FINANCIAL YEAR	VALUE
2006/07	\$27,613,000
2005/06	\$24,871,000
2004/05	\$21,518,000
2003/04	\$23,580,000
2002/03	\$20,390,000
2001/02	\$18,024,000

- Operating expenditure increased by \$354,000 to \$24,266,000 and compared favourably with the 2005/06 result of \$23,912,000

Expenditure comparatives:

FINANCIAL YEAR	VALUE
2006/07	\$24,266,000
2005/06	\$23,912,000
2004/05 (Adjusted AIFRS)	\$24,767,000
2003/04	\$23,668,000
2002/03	\$22,168,000
2001/02	\$21,841,000

Depreciation

Council's assets have been depreciated by \$3,521,000 for the 2006/07 financial year which is favourable in comparison to asset improvements of \$4,832,000, equivalent to an asset renewal percentage of 137.23%.

Investments

Council's investment portfolio increased in 2006/07 by \$4,814,000 to \$14,905,000 and generated interest of \$778,000. In comparison the 2005/06 investment portfolio was \$10,091,000 with interest of \$503,000.

Investment comparatives:

FINANCIAL YEAR	VALUE
2006/07	\$14,905,000
2005/06	\$10,091,000
2004/05	\$11,154,000
2003/04	\$10,222,000
2002/03	\$8,714,000
2001/02	\$7,813,000
2000/01	\$6,957,000

Loans

Principal amounts outstanding on borrowings at the end of the year totalled \$6,798,000 with repayments during the year of \$324,000.

The 2006/07 loan borrowing program was the subject of a report to Council and resolved to drawdown a loan of \$2,425,000 on 25 June 2007. Funding was for the Portland Pool, Blackman's Flat Waste Facility, Lithgow STP, South Bowenfels Reservoir and Crystal Theatre. Our current debt service ratio is 2.79% (Compared to 2.83% for 2005/06)

Cash and Reserves

Note 6 of the GPFR, discloses cash and investments of \$15,714,000 (2005/06 \$10,091,000). It should be noted that a large portion of funds are held as restricted assets, both internal and external.

Externally restricted assets total \$10,566,000 and are held for specific purpose grants, unexpended loan funds, Sec 94 Developer contributions, Water and Wastewater infrastructure reserves and headwork charges.

Reserves for Water and Wastewater are favourable at \$3,625,000 and \$2,242,000 respectively but future infrastructure works will commit a large portion of these reserves.

Council has \$2,033,000 restricted for its own previously identified internal purposes such as employees leave entitlements, Council's share of the flood mitigation program, election expenses. Waste funds total \$965,000 and are primarily reserved for the construction of the Blackman's Flat Waste disposal facility.

The Employees Leave Entitlement reserve is currently \$817,000 and provides provision for annual and long service leave for employees of 25% of their entitlement and full entitlement for those employees 58 years and over.

Council's unrestricted cash is \$2,033,000 (2005/06 \$232,000, 2004/05 \$468,000) a major improvement on previous years.

Financial Ratios

In summary the ratios reveal:

(NB Comparative are provided for the 2005/06 financial year in compliance with AIFRS.)

➤ **Current Ratio:**

Current Assets	<u>\$19,217,000</u>	3.47:1	2005/06	2.49:1
Current Liabilities	\$6,669,000			

The current ratio is the adequacy of working capital and the ability to satisfy obligations in the short term for the consolidated funds and is expressed as a ratio. This means Council has \$3.47 for every \$1.00 of liability.

➤ **Unrestricted Current Ratio:**

Current Assets (Less Ext Rest)	<u>\$7,598,000</u>	3.17:1	2005/06	1.79:1
Current Liabilities	\$2,399,000			

The current ratio is the adequacy of working capital and the ability to satisfy obligations in the short term for the unrestricted activities of Council expressed as a percentage. This means Council has \$3.17 for every \$1.00 of liability. In comparison the group average for the equivalent size NSW Council (Group 4) is \$2.40 to \$1.00.

➤ **Debt Service Ratio:**

Debt Service Cost	<u>\$649,000</u>	2.79%	2005/06	2.83%
Current Liabilities	\$23,236,000			

Excludes capital items and specific purpose grants and contributions. This ratio provides a means to assess the impact of loan principal and interest repayment on the discretionary revenue of Council. In comparison the group average for the equivalent size NSW Council (Group 4) is 6.61%

➤ **Rate Coverage Ratio:**

Rates & Annual Charges	<u>\$15,175,000</u>	54.96%	2005/06	54.75%
Current Liabilities	\$25,613,000			

To assess the degree of dependency upon revenues from rates and annual charges. In comparison the group average for the equivalent size NSW Council (Group 4) 41.25%.

➤ **Rates & Annual Charges outstanding percentage:**

Rates & Annual Charges O/S	<u>\$1,355,000</u>	8.24%	2005/06	7.65%
Current Liabilities	\$16,437,000			

To assess the impact of uncollected rates and annual charges on liquidity.

Rate recovery is persistently pursued using internal and external processes and this practice will continue. In comparison the group average for the equivalent size NSW Council (Group 4) is 7.57%.

DLG Circular 06-75 required Council to report on the revaluation of non current assets at 'fair value' as follows:

- 2006/07 - Water and Wastewater

The revaluation of assets to fair value in 2006/07 applies to the entire class of Water and Wastewater assets and it is this value which Council will carry in the assets register. The value will comprise the revaluated amount less accumulated depreciation and accumulated impairment costs.

Fair Value is the best estimate of the price reasonably obtainable in the market at the date of valuation and is defined as "amount for which an asset could be exchanged between willing parties in an arms length transaction" in Accounting Standard, AASB 116. It is the most reasonable price obtainable by the seller as well as being the most satisfactory price to the purchaser. The estimate specifically excludes a price inflated or deflated by special terms or circumstances such as financing, sale and leaseback arrangements, or any concession which may be granted by the seller.

To obtain a value for the Water and Wastewater assets Council was required to take into account the assets:

- Identification
- Condition rating, by sample or physical inspections
- Age
- Components
- Material of construction
- History of failings and maintenance history
- Water and Wastewater assets are to be indexed annually between revaluations in accordance with the NSW Reference Rates Manual for Valuation of Water Supply, Sewerage and Stormwater Assets, 2003

To comply with the finalisation date required for the revaluation, 30 June 2007 Council contracted a licensed valuer and the following methodology applied:

- Site visit to each Water and Wastewater works to gain understanding of the system, capacity, condition, presentation, age etc
- List of all major assets as well as grouping components eg mechanical, electrical, infrastructure etc
- Discuss relevant matters onsite with Council personnel
- Meet with each Council Manager and/or Engineer to assist with the valuation, eg current and future technology, life remaining each structure, current maintenance programs and break up replacement costs for each component of the infrastructure
- Submerged pumps or those located in confined spaces at Water and Wastewater pumping stations will be valued on a 'sight unseen' basis and from information discussed with Council personnel the age, condition, break up between the mechanical, electrical and infrastructure costs will be determined.
- Replacement values will be based on the current capacity and technology of each of the works as at the date of valuation and in accordance with the NSW Reference Rates manual "Valuation of Water Supply, Sewerage and Stormwater Assets."

Following the initial revaluation Council needs to reassess, every financial year, if there is any indication that the carrying amount of the asset may differ materially should the asset have been revalued again at the reporting date. If any such indication exists the asset will be adjusted. External revaluations will occur every three to five years.

The revaluation of water and wastewater assets have determined the following entries which affect the 2006/07 General Purpose Financial Reports:

WATER ASSETS

	AT COST 30.06.06	FAIR VALUE 30.06.07	VARIATION 06/07
Water Infrastructure	\$'000	\$'000	\$'000
Value	38,086	50,982	12,896
Acc Dep'n	-21,823	-28,328	-6,505
TOTAL WATER	16,263	22,654	6,391
Sewer Infrastructure	\$'000	\$'000	\$'000
Value	39,607	51,918	14,825
Acc Dep'n	-31,178	-37,092	-8,429
TOTAL WATER	8,429	14,826	6,396
TOTAL ASSET INCREASE 2006/07 DUE TO FAIR VALUE			12,787

Compliance

The following information should be noted with regard to Council's compliance with the Act:

- Council's financial reports are prepared and will be audited within 4 months after the end of the reporting year.
- As per Sec 428 (2) (a) the audited financial reports will be included in Council's Annual Report
- As per Sec 418 as soon as practicable after receipt of the auditors report, no later than 7 November 2007, public notice will be given of presentation of the final reports to Council at a public meeting with the auditors present. The auditors will be invited to attend the Finance and Services Committee meeting of the 19 November 2007. Copies of Council's audited financial reports together with the auditors report will be available at the Administration office for inspection.

POLICY IMPLICATIONS

NIL

FINANCIAL IMPLICATIONS

Council's final draft result for the 2006/07 financial year, including Capital Income and Contributions is a surplus of \$3,347,000 (2005/06 surplus of \$959,000).

Total Assets of \$206,191,000 and liabilities of \$6,669,000 resulting in Equity of \$187,808,000.

LEGAL IMPLICATIONS

NIL

07-418 RESOLVED

THAT:

1. The accounts be referred for auditors Alan Morse & Co
2. Council advertise the accounts following receipt of the 2006/07 Audit Certificate.
3. Council state the following on the General Purpose Financial Reports for the year ended 30 June 2007:-

The Council's Annual General Purpose Financial Reports have been drawn up in accordance with:-

- a). *The Local Government Act 1993 (as amended) and the Regulations made there under;*
- b). *The Australian Accounting Standards and professional pronouncements;*
- c). *The Local Government Code of Accounting Practice and Financial Reporting;*
- d). *The Local Government Asset Accounting Manual.*

To the best of our knowledge and belief, these reports

1. *Present fairly the Council's financial position and operating result for the year and*
2. *Accord with Council accounting and other records.*

The Mayor, Deputy Mayor, General Manager and Responsible Accounting Officer be authorised attesting to the above and that they are not aware of any matter that would render the reports false or misleading in any way.

4. Council state the following on the Special Purpose Financial Statements for the year ended 30 June 2007:-

The attached special purpose Financial Statements have been drawn up in accordance with the Local Government Code of Accounting Practice and Financial Reporting and the

- *NSW Government Policy Statement "Application of National Competition Policy to Local Government"*
- *Department of Local Government guidelines "Pricing & Costing for Council Businesses: A Guide to Competitive Neutrality".*
- *The Department of Energy, Utilities and Sustainability "Best Practice Management of Water Supply and Sewerage" guidelines.*

Significant investigation was undertaken in relation to the expressions of interest including discussions with other Council's that had utilised the services of some of the firms which lead to further investigation on the 'design and construct' method of undertaking the project. In finality, the working party was not satisfied that the design and construct method will be the most cost effective and least risk method of undertaking the project. The working party believes that the option of separating the design and construction should be further examined and that the General Manager should have the authority to proceed with the most cost effective and least risk option. This would not include any non-delegable function such as the acceptance of tenders. This should allow the flexibility to make final investigations and implement the best option without delay.

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Funding for the project is in the 2007/2008 capital budget.

LEGAL IMPLICATIONS

Nil

ATTACHMENTS

Nil

07-419 RESOLVED

THAT the General Manager be delegated authority to proceed with the most cost effective and least risk option in relation to the design and construction of Stage 2 of the Sewerage Treatment Plant upgrade whether or not this is to be by a design and construct package or the separation of these components.

MOVED: Councillor M M Collins

SECONDED: Councillor M J Wilson.

CARRIED

REGIONAL SERVICES REPORTS

ITEM:6 REG - 17/09/07 - LINING OF SLUDGE LAGOONS - LITHGOW WATER TREATMENT PLANT

REPORT BY: GROUP MANAGER REGIONAL SERVICES - ANDREW MUIR

REFERENCE

Finance and Services Committee 05/02/07.
Finance and Services Committee 06/08/07.
Ordinary Meeting 20/08/07

SUMMARY

To advise Council of the progress of the tender process for lining the sludge lagoons at the Lithgow Water Treatment Plant.

COMMENTARY

Council will recall the history and status of this matter from its Finance and Services Committee meetings of 05/02/07 and 06/08/07 and Ordinary meeting of 20 August 2007. At its meeting of 20 August 2007 Council resolved:

“Due to the cost advantages and urgency of the matter, fresh tenders not be called but the award of a contract for the lining of the sludge lagoons at the Lithgow Water Treatment Plant be postponed to allow further negotiations to be held with the sole tenderer and the General Manager be delegated authority to conduct and conclude such negotiations.”

Such negotiations have now been concluded. The sole tenderer was asked to examine other options for lining the lagoons that may be more cost beneficial to Council whilst satisfying the permeability criteria required by the Department of Environment and Climate Change (DECC or EPA). The three options were investigated and ranked in terms of price (from least to most expensive):

1. Clay liner - 400mm - \$389,052.
2. HDPE liner sand & tyre base - \$418,319.00
3. Geotextile Clay Liner - \$436,000

Initial permeability testing of the clay associated with Option 1 indicates the material exceeds the DECC requirements and a QA process will be implemented to ensure it is installed correctly. Therefore, the preferred option is No1 which consists of the following.

Details of proposal

- * Excavation of 300mm of unsuitable material.
- * Placement and Construction of clay liner 400mm thick to 100mm above the current floor level.
- * Clay is imported to site and it is confirmed that there is sufficient clay available.

- * Clay has been tested and can meet the DECC requirement of 1x10⁻⁹ m/s permeability.
- * Testing of Excavated material to confirm that it is suitable for disposal at landfill.
- * Transport and delivery of excavated material.
- * In process construction testing of compaction to demonstrate compaction achieved.

The construction period is anticipated to be in three stages totalling 29 weeks. In relation to the Court enforceable undertaking in relation to final completion which is being negotiated with DECC an additional 4 weeks to cover latent conditions, weather etc and 3 weeks for Christmas/New Year shutdowns have been requested. On the basis that the contractor could start on 1 October this proposes a project period of 36 weeks with completion by 9 June 2008.

POLICY IMPLICATIONS

Policy 3.1 'Contracts - Disclosure on request of information contained in Council contracts' which identifies information contained in Council contracts which may be publicly disclosed upon request is potentially applicable should a contract be awarded.

As the tender process has been undertaken by the Department of Commerce, Policy 9.11 'Tenders - canvassing/lobbying of Councillors and staff' was not strictly applicable to the process.

FINANCIAL IMPLICATIONS

At its Ordinary meeting of 20 August 2007 Council approved a budget in 2007/2008 to be funded from Water Fund Reserve and resolved that this be reflected in the September Quarterly Budget review. If the tender is accepted then the lining component of the project is costed at \$389,052. Council will also have to carry out desludging which will be an additional cost.

LEGAL IMPLICATIONS

Section 377 of the Local Government Act outlines the non-delegable functions of Council which includes

“(i) the acceptance of tenders which are required under this Act to be invited by the council”

Clause 73 (iv) of Council's Code of Meeting Practice provides that the seal of a council must not be affixed to a document unless the document relates to the business of the council and the council has resolved (by resolution specifically referring to the document) that the seal be so affixed.

Clause 178 (3) of the Local Government (General) Regulation 2005, allows Council to decide not to accept a tender and to enter into negotiations with any person (whether or not the person was a tenderer) with a view to entering into a contract in relation to the subject matter of the tender. This has occurred and under clause 178(1)(a) Council can now accept the tender that, having regard to all the circumstances, appears to it to be the most advantageous.

07-420 RESOLVED

THAT Council accept the tender submitted by EODO Pty Ltd indicated as Option 1 in this report and that the common seal be affixed to all relevant documentation.

MOVED: Councillor H K Fisher

SECONDED: Councillor M J Wilson.

CARRIED

ITEM:8 REG - 17/09/07 - WATER FLUORIDATION

REPORT BY: GROUP MANAGER REGIONAL SERVICES - ANDREW MUIR

REFERENCE

Policy and Strategy Committee meeting of 6 August 2007 – resolved that “a full report be provided, including information on a Council Poll.”

SUMMARY

This report aims to provide Council with information so that it may determine its position on water fluoridation.

COMMENTARY

The Council would be well aware of the recent history of this issue with a number of presentations received, most recently on the results of a survey presented to the Policy and Strategy Committee on 6 August 2007. Numerous submissions have been received both for and against fluoridation of town water supplies. These submissions are provided to assist Councillors. It is clear that there is a wealth of information both in favour of fluoridation and opposing fluoridation. As an observation, it appears that the formal government position supports water fluoridation and therefore provides 100% subsidy for capital works. There are some 56 water supplies in NSW that have fluoridated water that reach around 92 per cent of the population. Lithgow is one of about 23 water supplies serving populations of more than 1000 that currently do not have a fluoridated supply.

An option open to Council is it can decide on public health grounds to refer to the Director General of Health who then seeks the expert advice of the Public Water Supplies Advisory Committee prior to considering whether to make a direction on the fluoridation of the water supply with the provision of equipment and installation to be funded by the NSW Government.

Council Poll

Council may recall a report to its Policy and Strategy Committee meeting of 6 August 2007 in relation to constitutional referendums which provided information on referendums and council polls. Essentially, a Council poll may be undertaken for any other matter other than the specific matters where a referendum is mandatory, e.g. number of councillors or the creation of wards. Conducting a poll would come at a cost.

Council would need to consider whether it wished to expend funds on a poll particularly given the results of the Western Research Institute which in statistical terms is considered to be a representative sample.

POLICY IMPLICATIONS

There is no formal policy on water fluoridation. The current 'official' position relates to the decision of Council at its Finance and Policies Committee Meeting of 14 October 1991 which resolved "that Council not proceed with the fluoridation of the public water supply in Greater Lithgow".

FINANCIAL IMPLICATIONS

Should Council wish to move toward fluoridation then there would be no up front capital cost. The annual running costs for the required plant have been estimated to be in the vicinity of \$38,000 although this is considered to be at the 'upper end of the scale' with costs estimated to be between \$1.20 and \$2.40 per head of population per year.

A council poll would increase the costs of the election; however it is difficult to put an accurate estimate on the cost of holding a poll in conjunction with the election. The City of Sydney Council recently estimated that a council poll would cost approximately \$100,000 if run in association with a general election or \$750,000 if held in isolation. The Council election for the Lithgow Local Government Area has been estimated to cost in the order of \$100,000. Reducing the predicted cost of a poll to the City of Sydney to reflect a lesser election budget for Lithgow would indicate that a poll for the Lithgow LGA in conjunction with the election would cost in the order of \$13,000.

LEGAL IMPLICATIONS

Section 4 of the Fluoridation of *Public Water Supplies Act 1957* creates the Public Water Supplies Advisory Committee. One of the functions of the Committee as set out in section 6 is to refer to the Minister proposals with respect to the addition of fluorine to public water supplies. Section 6A of the Act enables the Secretary of NSW Health, by notification published in the government Gazette, to direct a water supply authority to add fluorine to a public water supply. However, a direction may be given only if the water supply authority has referred the question of fluoridating the public water supply to the Secretary for consideration and the Secretary has received the advice of the Public Water Supplies Advisory Committee as regards the question.

Section 14 of the Local Government Act provides that a council may take a poll of electors for its information and guidance on any matter. Part 1 and Part 6 of Chapter 10 of the Act apply to Council polls as they would to Council elections. Primarily this relates to who is entitled to vote and that the poll is to be conducted by the Australian Electoral Commission in accordance with the same requirements as an election.

CONCLUSION

Determining the Council's position on water fluoridation is a matter for the elected Council given the public interest considerations. Therefore, as much information as possible is provided to assist the Council in its deliberations without attempting to influence one way or the other. However, the use of a Council poll should be treated with some caution.

The survey undertaken by the Western Research Institute is statistically representative and the additional costs of an overarching LGA wide poll would be difficult to justify. If these comments are seen as support of fluoridation then to provide balance it is also worthy to note that an annual running cost of up to \$38,000 is not insignificant.

The options seen as open to Council are:

1. Proceed with water fluoridation and request the installation of the necessary infrastructure. (NB: This option would require a budget adjustment if it was to occur in the current financial year as there is currently no allocation for running costs and discussions with State Water/Fish River Water Supply as to the appropriate location of any plant to cater for consumers utilising this water supply)
2. Not proceed with fluoridation.
3. Refer the matter to the Director General of Health.

RECOMMENDATION

THAT Council determine its position on fluoridation of its water supply.

Councillor Moran moved, seconded Councillor Collins a **MOTION** that Council proceed with water fluoridation and request the installation of the necessary infrastructure. (NB: This option would require a budget adjustment if it was to occur in the current financial year as there is currently no allocation for running costs and discussions with State Water/Fish River Water Supply as to the appropriate location of any plant to cater for consumers utilising this water supply). This **MOTION** was LOST 3 to 5.

Councillor Fisher **FORESHADOWED** a **MOTION** that the public be provided with fluoride tablets instead of fluoridating the water. This Motion **LAPSED** due to no seconder.

07-421 RESOLVED

THAT Council convene a public meeting urgently on the issues of fluoridation and report be brought back to Council on the outcome of this meeting.

MOVED: Councillor A E Thompson

SECONDED: Councillor B P Morrissey.

CARRIED

ITEM:9 REG - 17/09/07 - UPDATE ON CURRENT LEGAL MATTERS

REPORT BY: GROUP MANAGER REGIONAL SERVICES - ANDREW MUIR

REFERENCE

Finance and Services Committee 05/02/07.
Finance and Services Committee 04/06/07.
Finance and Services Committee 06/08/07.
Ordinary Meeting 20/08/07

SUMMARY

To advise Council of the status of matters currently before the Land and Environment Court.

COMMENTARY

The current matters before the Court involving Council are:

EPA -v- Council

Councillors will recall previous updates on this matter. The matter is set down for finalisation on 24 September 2007. Discussions have been held with EPA/DECC officers to determine an appropriate timeframe for the completion of the sludge lagoon lining as separately reported in the business paper. It is likely that in addition to a monetary penalty, that the Court will impose orders for a timeframe to complete the works in line with the timeframe that is expected to be agreed in the coming days between EPA/DECC and Council.

Mark Lilley -v- Council

This is an appeal against Council's refusal of a development application for a heliport at Capertee. The parties have agreed to a Court appointed Town Planning expert to assist the Court in its deliberations. An acoustic consultant has been briefed to act on Council's behalf to provide expert evidence. All the acoustic consultants involved for the respective parties have been directed by the Court to confer and file a joint report. Council has been directed by the Court to provide 'without prejudice' conditions of development consent to assist the Court should it contemplate approval of the application. The applicant must now respond to the draft 'without prejudice' conditions. The matter is set down for hearing on 17 and 18 September 2007 on-site and at Lithgow Court House.

Agonic Holdings Pty Ltd -v- Council

This is an appeal against the refusal of a development application to subdivide 40 rural lots from a large agricultural holding at Tarana/Meadow Flat. The reasons for the refusal were:

1. The advice received by the Department of Primary Industries (Agriculture and Fisheries) pertaining to sustainable agriculture.

2. The application is antipathetic to the objectives of the 1(a) General Zone.
3. The application is antipathetic to the aims of the 1(a) General Zone.
4. The impact of the development on adjoining agricultural properties.
5. The public interest.

The Department of Primary Industries have indicated that they will support Council by giving evidence in the matter. Expert agricultural and ecological consultants have been briefed to prepare evidence. The appeal is listed for a non-binding preliminary conference under section 34 of the Land and Environment Court Act 1979 on 21 September 2007 and is to commence at 10.30am at the Land and Environment Court in Sydney. The General Manager will require delegated authority to make decisions on Council's behalf at the section 34 conference.

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

All matters are generating legal costs. However, it is always endeavoured to keep these costs to a minimum.

LEGAL IMPLICATIONS

The subject of this report.

07-422 RESOLVED

THAT the information be received and the General Manager be delegated authority to negotiate and make decisions on Council's behalf at the section 34 conference in relation to the appeal by Agonic Holdings.

MOVED: Councillor B S Moran

SECONDED: Councillor A E Thompson.

CARRIED

The practice of publication of sensitive information provided by tenderers could result in the withholding of such information by tenderers and reduction in the provision of information relevant to council's decision.

REFERENCE

Min 208: Council Meeting 24 February 1997
Min 753: Council Meeting 10 June 1997

SUMMARY

This report provides details of the Blackfellows Hands Shelter nomination as an Aboriginal Place under the National Parks and Wildlife Act. It recommends that 'in principle' support be provided to the nomination and seeks a review into the management responsibility of the Crown Reserve.

07-423 RESOLVED

THAT Council consider this report in the closed Council pursuant to the provision of Sec 10(A)(2)(h) of the Local Government Act 1993.

MOVED: Councillor B P Morrissey

SECONDED: Councillor W McAndrew.

CARRIED

ITEM:10 COMM - 17/09/07 - SEC 356 DONATIONS

REPORT FROM: COMMUNITY AND CULTURE MANAGER – P. HALL

REFERENCE

Minute 07-258: Extraordinary Meeting 28 June 2007
Minute 07-289: Council Meeting 16 July 2007
Minute 07-360: Council Meeting 20 August 2007
Minute 07-402: Finance and Services Committee Meeting 3rd September 2007

SUMMARY

To advise Council of the Section 356 donation requests which have been received since the 2007/08 Management Plan has been adopted.

COMMENTARY

At its Extraordinary Meeting of Council on the 28th June 2007 a donations budget of \$25,000 was allocated for donations, comprising of \$17,000 for general donations, \$3,000 for hall hire and \$5,000 to the Portland Pool Association.

As at 4th September 2007 the following payments have or are to be made:

General donations:

Date	Organisation	Assistance	Amount
28.06.07	Various	Sponsorship	\$13,698.99
16.07.07	Kidney Health Kar Rally	Sponsorship- Lithgow team	\$ 100.00
20.08.08	Portland District Motor Sports Club	Sponsorship for a trophy	\$ 60.00
20.08.07	Portland Pool Association	Additional allocation for cost of operations	\$ 5,000.00
03.09.07	Newnes Hotel 100 year celebrations	Sponsorship Min 07 -	\$ 385.58
Remaining			\$ 4,925.46

Hire of facilities:

Date	Organisation	Assistance	Amount
16.07.07	Quota – Hire of the Union Theatre	Reimbursement of hall hire fees	\$300.00
Remaining			\$238.00

Council will note that the amount remaining for the general donations has been amended to reflect the additional \$5,000 to the Portland Pool Association above the originally advertised \$17,000 and also an adjustment to the donations which were approved to fund the general rate component of numerous properties.

Council is in receipt of the following requests for assistance and determination is required:

1. Rivers SOS – Request financial assistance – Recommendation Nil

All Association of Mining Related Council members are being asked to support Rivers SOS in producing a new film covering issues such as damage to bores and aquifers and the various health effects on communities around mines.

2. Lithgow/Wallerawang Giant Tree Arboretum- Request for any financial support and assistance in applying for funding and grants– Recommendation Nil

Delta Electricity is planning on turning a 16 hectare site into a Giant Trees Arboretum at Lake Wallace, Wallerawang. Whilst no financial support is recommended, Council can provide assistance in applying for grants.

3. Board of State Mine Railway Ltd – Recommendation Nil

Request for Council to consider a rate reimbursement of the difference between the current business rates levied on the above property and the amount of rates that would be payable if it was rated as residential is \$1,192.65.

4. Rydal A H & P Society – Recommendation \$1,000 for the Rydal Show

Request for a trophy or sponsorship for the heavy horse section in the Rydal Show. It is recommended that a donation be provided in line with the \$1,000 provided to the Lithgow Show.

5. Portland Colts Football Club - Request for Waiver of Fees and Lighting Charges at Kremer Park Portland for the 2007 Football Season – Recommendation Nil

In 2006/07 original charges for lighting were \$2,541.00. After a meeting was held in August 2007 and the charges were reviewed and amended to \$1,320.00.

Council considers these charges to be acceptable. However, the charges are still considered as unacceptable by the Club hence this request was submitted.

6. Portland Colts Football Club Request for financial assistance for 2007/8 for Lighting Charges and ground hire \$2,883 Recommendation: Nil

7. Greater Lithgow Region Events Diary Recommendation- Nil

A request has been received from a member of the community for financial assistance of \$300.00 in distribution of the Greater Lithgow Region Events Diary.

The Interest Free Loans Policy is applicable but as the representative is not part of a community group or organisation she is ineligible for an interest free loan.

Item	Organisation	Amount
1.	Association of Mining Related Council members (Rivers SOS) financial assistance	Nil
2.	Lithgow/Wallerawang Giant Tree Arboretum financial support and assistance in applying for funding and grants	Nil
3.	Board of the State Mine Railway Ltd the difference between the current business rates and residential rates	Nil
4.	Rydal A H & P Society Sponsorship for the Heavy Horse section	\$1,000
5.	Portland Colts Football Club – Waiver of Fees and Lighting Charges at Kremer Park 2006/07	Nil change
6.	Portland Colts Football Club Kremer Park 2007/08 charges	Nil change
7.	Greater Lithgow Region Events Diary	\$300.00

POLICY IMPLICATIONS

Donation payments are made in line with Council's policies including "Donations – Section 356 of the Local Government Act" and "Request for donation by waiving of fees for council facilities".

FINANCIAL IMPLICATIONS

There is \$3,625.46 left in the general donations fund and \$238 left in the hall hire facilities fund for 2007/08.

LEGAL IMPLICATIONS

Local Government Act 1993 s356 applies.

RECOMMENDATION

THAT:

1. A donation of \$1,000 to the Rydal Show Society and a donation of \$300 to the Greater Lithgow Region Diary be made;
2. Council note \$3,625.46 then remains in the general donations funds in the Section 356 general donations budget;
3. Council note \$238.00 remains in the waiving of hire fees for Council facilities;
4. The donations for the Rydal Show Society and the Greater Lithgow Region Diary are to be advertised for 28 days.

07-424 RESOLVED

THAT:

1. A donation of \$1,000 to the Rydal Show Society and a donation of \$300 to the Greater Lithgow Region Diary be made;
2. Council note the \$1,455.43 remaining funds in the General Donations vote having now determined the final figures for rates for those properties Council resolved to reimburse rates and with having included the additional \$5,000 to cover the allocation to the Portland Pool;
3. Council note \$238.00 remains in the waiving of hire fees for Council facilities;
4. The donations for the Rydal Show Society and Greater Lithgow Region Diary be advertised for 28 days as per the recommendations in this report along with the advertising of the allocation to the Newnes Hotel of \$385.58 as per the Council's consideration on 3 September 2007.
5. A further report on rating donations come back to Council
6. Council reconsider sporting bodies donations and hold meetings with the four major Rugby Leagues Clubs.
7. Council actively pursue grants for the giant tree arboretum and meet with group to determine future works.

MOVED: Councillor H K Fisher

SECONDED: Councillor M M Collins.

CARRIED

ITEM:11 COMM - 17/09/07 - COUNCIL INVESTMENTS AUGUST 2007

REPORT FROM - INTERNAL SERVICES MANAGER - C FARNSWORTH

REFERENCE

Min 07-401: Finance and Services Committee Meeting Investments July 2007

SUMMARY

To advise Council of 2007/08 investments held for the period ending 31 August 2007.

COMMENTARY

The amount invested as at 31 August 2007 when compared to 31 July 2007 has increased by \$3,281,363.26. This is due to the payment of the first instalment of the 2007/08 Financial Assistance Grant on the 17 August 2007 and income received for the first instalment of the 2007/08 rating year due 31 August 2007.

INVESTMENT REGISTER 2007/08								
INSTITUTION	INV TYPE	DATE LODGED	DATE DUE	DAYS	INT	VALUE 31.07.07	VALUE 31.08.07	% OF TOTAL
ANZ	TD	30.07.07	01.10.07	91	6.56	574,972.99	574,972.99	3.47%
CBA	CMS Nt	06.11.06	06.11.11	1,825	7.31	500,000.00	500,000.00	3.01%
	On Call				6.20	644,199.15	1,649,077.64	9.94%
	Ethical	20.06.06	20.06.11	1,825	9.25	500,000.00	500,000.00	3.01%
	TD	01.09.07	15.10.07	45	6.77	0.00	1,000,000.00	6.03%
	TD	19.08.07	19.11.07	90	6.81	0.00	1,250,000.00	7.53%
CITIBANK	TD	11.07.07	11.09.07	62	6.45	528,331.28	528,331.28	3.18%
LG FINANCIAL	On Call				6.15	684,714.43	684,714.43	4.13%
	TD	06.07.07	06.11.07	120	6.56	300,000.00	300,000.00	1.81%
	TD	18.06.07	12.09.07	86	6.47	526,036.14	526,036.14	3.17%
	TD	07.08.07	07.11.07	90	6.65	513,380.24	519,060.33	3.13%
	TD	08.08.07	10.09.07	32	6.65	500,000.00	500,000.00	3.01%
	TD	25.06.07	15.10.07	107	6.54	2,425,000.00	2,425,000.00	14.61%
IMBS	On Call				6.50	267,809.72	269,185.48	1.62%
	TD	07.06.07	07.09.07	92	6.49	1,064,956.70	1,064,956.70	6.42%
	TD	29.06.07	15.10.07	108	6.55	478,765.97	478,765.97	2.89%
	TD	06.06.07	06.09.07	92	6.46	774,661.38	774,661.38	4.67%
	TD	23.08.07	23.11.07	31	6.92	754,208.22	762,436.12	4.59%
ALLIANCE	Managed	01.04.02	28.02.08	365		1,000,000.00	1,000,000.00	6.03%
ST GEORGE	TD	17.08.07	17.09.07	30	6.73	500,000.00	502,779.18	3.03%
	TD	13.08.07	15.10.07	62	6.73	774,690.00	783,111.84	4.72%
			TOTAL			13,311,726.22	16,593,089.48	100.00%

I, Carol G Farnsworth, Lithgow City Council Internal Services Manager (Responsible Accounting Officer) certify as required under Local Government (General) Regulations 2005, that Council's investments have been made in accordance with the Local Government Act 1993, Regulations and Lithgow City Council's Investment Policy.

POLICY IMPLICATIONS

All Council's investments are held in accordance with Lithgow City Council's Investment Policy.

FINANCIAL IMPLICATIONS

Investment income to date 31 August 2007 is \$141,526.96. Interest is paid on the maturity date of the investment and managed funds report earnings quarterly.

LEGAL IMPLICATIONS

Investments are held in accordance with the Lithgow City Council's Investment Policy which accords with the requirements of the:

- Local Government Act 1993 - Section 625
- Local Government Act 1993 - Order dated 17 March 2000
- Local Government (General) Regulation 2005
- Trustee Amendment (Discretionary Investments) Act 1997- Section 14A(2), 14c(1) & (2)

07-425 RESOLVED

THAT Council's 2007/08 investments for the period ending 31 August 2007 be received.

MOVED: Councillor H K Fisher **SECONDED:** Councillor W McAndrew.

CARRIED

DRAFT

DELEGATES REPORTS

ITEM:12 DELEGATES REPORT - 17/09/07 - CENTROC MEETING HELD ON 30TH AUGUST 2007

REPORT FROM: THE MAYOR, NEVILLE CASTLE

COMMENTARY

The most recent Centroc meeting in Mudgee encountered much more debate than usual. This was brought about by the fact that the guest speakers from the Catchment Management Authority's in the central west were unable to be in attendance at the meeting and therefore the Delegates were able to more fully debate the issues.

The Bells Line Expressway was again a major item on the agenda and the meeting did hear of the most recent delegation from BLEG members in a meeting with the NSW Transport Minister, The Hon Eric Roozendaal at the recent Cabinet Meeting in Bathurst. Although Minister Roozendaal was not committal towards the project, he did indicate that he had not received certain correspondence regarding the Federal Government's offer of \$10M towards a further planning study of the route. It was revealed at the meeting that the Deputy Premier Mark Vaile was in the process of making that correspondence available to Minister Roozendaal. It is believed that State Government will seriously consider the offer by the Federal Government once it has been received and see what stipulations are attached to the money.

Also on the Bells Line Expressway Mr Graeme Dunn of the Cowra Futures 30 Group has asked to make a submission to Centroc in order to express his views. He has been openly critical of the route that has been selected but to this point in time has not been able to come up with an alternative that will service the central west.

Centroc believes that the Broadband Connect Scheme that is being offered by the Federal Government will be inadequate to people in rural Australia. Regardless of promises to the contrary early in the debate about parity between city and country as far as broadband is concerned, it is clear including the agreement of at least one coalition Minister, that the current proposal will mean that Broadband will be slower and more costly for people in the country compared to the city. It was also agreed that while the proposal by the Labor Party is significantly closer to what Centroc had been seeking and would have been more equitable for people in our area.

Centroc will seek a report on the potential for the Local Government Emissions Trading Scheme and also the City of Sydney Carbon trading initiatives. This particular scheme at this stage is voluntary and small scale and refers only to emissions made by the local governments themselves. A measure of concern was raised in that if a trading scheme was looking to be introduced state wide through local governments, that this would be extremely complex and if for example, coal mines and power stations were to be targeted then we would also need to make sure that the end users of the products, (i.e. people who use electricity) will also need to pay for the environmental damage / concerns rather than simply being able to "tax" the power stations and coal mines.

It was also pointed out that a very large amount of emissions nation wide are from cars and very little is done to lessen these emissions, which would be needed if we are going to be truly fair in any carbon trading scheme.

Finally, Centroc was in receipt of correspondence from Mr John Chivers who is the Regional Industry Career Advisor for the Central West Group Apprentices who will be making himself and his particular "Try a Trade" display available to any organisations in the central west upon request. This might be seen as a way to show young people what apprenticeships may be about rather than students simply reading about it. Centroc are happy to support such an initiative.

POLICY IMPLICATIONS

NIL

FINANCIAL IMPLICATIONS

NIL

LEGAL IMPLICATIONS

NIL

07-426 RESOLVED

THAT the information be received.

MOVED: Councillor B P Morrissey

SECONDED: Councillor B S Moran.

CARRIED

**ITEM:13 DELEGATES REPORT - 17/09/07 - MINING RELATED COUNCILS
EXECUTIVE COMMITTEE MEETING HELD ON 31ST AUGUST 2007**

REPORT FROM: THE MAYOR - NEVILLE CASTLE

COMMENTARY

At the latest Associated of Mining Related Council meeting is was pleasing to see the long awaited guidelines for Community Consultative Committees finally being released by the Department of Planning. The guidelines apply to all major new mines in NSW and it is also anticipated that all existed mines will adopted the guidelines. It was also interesting to note that these guidelines for these committees show that the ones that are already set up in our areas have been set up fairly similar to the guidelines that have now been sent out by the Department.

A good outcome from work with the Association and individual councils has seen that Broken Hill Council in cooperation with the Executive Officer of the Mining Related Councils has been able to get the Valuer General to re-evaluate the mines in that area. The values have increased from \$25,000 to \$1.2M for 2005 and from \$25,000 to \$1.7M for 2006. This has shown that the Mining Related Councils has been vigilant in trying to make sure that mining related activities pay their fair share of contributions to the various councils rating structures.

Also on the agenda was a DVD entitled "Rivers SOS". This particular DVD was produced by a lobby group trying to limit the amount of coal mining in areas particularly near rivers in NSW. This group was asking for a financial contribution for their production of their DVD from the Mining Related Councils. It was agreed to seek further information as this DVD seemed to be quite biased and although well intentioned a number of facts in the DVD were challenged by members of the Executive Committee. The Committee will now seek input from the Mining Industry to counter balance the argument. It certainly seemed that the general feeling of the meeting was to not support financially this group. However, other approaches may be welcomed in endeavouring to make sure that rivers in general were not affected by coal mining activities.

A report was tabled about Low Emissions Coal Technology which has indicated that NSW coal produces will voluntarily make up to \$400M available over the next 10 years to support clean coal technology projects in NSW. The industry has already announced \$20M to support the NSW Government \$60M initiative on carbon capture and storage for a pilot CO2 storage trial in site.

At a future meeting of the Mining Related Councils a forum will be held on climate change. Earlier this year the CSIRO and Centre for Low Emissions Technology released its final research results in public perceptions onto new power generation technology, climate technologies and climate change. This survey was conducted in NSW and QLD over the past two years. A number of interesting observations were made. It certainly seems that the public in general recognise a problem of green house gas and are keen to look at new technologies that can be used to reduce green house gases. We look forward to this being debated at a future meeting.

Also on the agenda was the Mauldon Don Barton railway line and the general feeling of the council was that support should be given for the construction of this particular railway line which will allow not only coal but other freight to pass around Sydney rather than going through Sydney. This particular project has been on the drawing boards for some 20 to 30 years and could possibly be a very good solution for coal and general freight in the central west.

POLICY IMPLICATIONS

NIL

FINANCIAL IMPLICATIONS

NIL

LEGAL IMPLICATIONS

NIL

07-427 RESOLVED

THAT the information was received.

MOVED: Councillor H K Fisher

SECONDED: Councillor M J Wilson.

CARRIED

QUESTIONS OF AN URGENT NATURE

NIL

DRAFT

The meeting closed at 8.30pm.

The General Manager advised the Public that Council will now consider the Closed Confidential report. The report was confidential in nature due to:

ITEM 3 - CONFIDENTIAL REPORT - PROPOSED SALE OF FORMER GAS WORKS SITE

This report is **CONFIDENTIAL** in accordance with Section 10A(2)(c) of the Local Government Act 1993, which permits the meeting to be closed to the public for business relating to the following: -

- (c) information that would, if disclosed, confer a commercial advantage on a person with whom the council is conducting (or proposes to conduct) business

It is not in the public interest to reveal all details of these tenders or the assessment process. Tenderers have provided sensitive information about their operations in the confidence that their details will not be made public by council. The practice of publication of sensitive information provided by tenderers could result in the withholding of such information by tenderers and reduction in the provision of information relevant to council's decision.

ITEM 9 - CONFIDENTIAL REPORT - ABORIGINAL PLACE NOMINATION

This report is **CONFIDENTIAL** in accordance with Section 10A(2)(h) of the Local Government Act 1993, which permits the meeting to be closed to the public for business relating to the following: -

- (h) information concerning the nature and location of a place or an item of Aboriginal significance on community land

This matter is classified confidential as it contains information on the location of an item of Aboriginal heritage which has been nominated for consideration as an Aboriginal Place under the National Parks and Wildlife Act 1974. It is of significant cultural value to the local indigenous community and therefore it is not in the public interest to reveal the details of this site.

It is not in the public interest to reveal all details of these tenders or the assessment process. Tenderers have provided sensitive information about their operations in the confidence that their details will not be made public by council. The practice of publication of sensitive information provided by tenderers could result in the withholding of such information by tenderers and reduction in the provision of information relevant to council's decision.

The General Manager asked for objections from the Public as to the confidential reports.

- Item 3 - NIL objections
- Sue Graves raised an objection in relation to Item 9. Why is it classed as confidential stating that the location cannot be named, when a location is named in the summary of the report.

The General Manager advised that upon discussions with the Department of Local Government Council were in a position to name this location as it is not the actual location named in the confidential section of the report.

It was resolved that the report would be considered in Closed Committee.

07-428 RESOLVED

MOVED: Councillor M M Collins

SECONDED: Councillor M J Wilson.

CARRIED

Closed Council started at 8.46pm

CLOSED REPORTS

ITEM 3 - CONFIDENTIAL REPORT - PROPOSED SALE OF FORMER GAS WORKS SITE

Reason for Confidentiality

In accordance with the Local Government Act 1993 and the Local Government (General) Regulation 2005, in the opinion of the General Manager, the following business is of a kind as referred to in section 10A(2) of the Act, and should be dealt with in a part of the meeting closed to the media and public.

Set out below is section 10A(2) of the *Local Government Act 1993* in relation to matters which can be dealt with in the closed part of a meeting.

The matters and information are the following:

- (a) personnel matters concerning particular individuals (other than councillors)
- (b) the personal hardship of any resident or ratepayer
- (c) information that would, if disclosed, confer a commercial advantage on a person with whom the council is conducting (or proposes to conduct) business
- (d) commercial information of a confidential nature that would, if disclosed:
 - (i) prejudice the commercial position of the person who supplied it, or
 - (ii) confer a commercial advantage on a competitor of the council, or
 - (iii) reveal a trade secret
- (e) information that would, if disclosed, prejudice the maintenance of law
- (f) matters affecting the security of the council, councillors, council staff or council property
- (g) advice concerning litigation, or advice that would otherwise be privileged from production in legal proceedings on the grounds of legal professional privilege
- (h) information concerning the nature and location of a place or an item of Aboriginal significance on community land.

This report is **CONFIDENTIAL** in accordance with Section 10A(2)(c) of the Local Government Act 1993, which permits the meeting to be closed to the public for business relating to the following: -

- (c) information that would, if disclosed, confer a commercial advantage on a person with whom the council is conducting (or proposes to conduct) business

It is not in the public interest to reveal all details of these tenders or the assessment process. Tenderers have provided sensitive information about their operations in the confidence that their details will not be made public by council. The practice of publication of sensitive information provided by tenderers could result in the withholding of such information by tenderers and reduction in the provision of information relevant to council's decision.

07-429 RESOLVED

THAT Council further negotiate the option from Environmental Earth Sciences for a period of four (4) months. A further report to be provided at the conclusions of the negotiations.

MOVED: Councillor B P Morrissey
CARRIED

SECONDED: Councillor M J Wilson.

ITEM 9 - CONFIDENTIAL REPORT - ABORIGINAL PLACE NOMINATION

Reason for Confidentiality

In accordance with the Local Government Act 1993 and the Local Government (General) Regulation 2005, in the opinion of the General Manager, the following business is of a kind as referred to in section 10A(2) of the Act, and should be dealt with in a part of the meeting closed to the media and public.

Set out below is section 10A(2) of the *Local Government Act 1993* in relation to matters which can be dealt with in the closed part of a meeting.

The matters and information are the following:

- (a) personnel matters concerning particular individuals (other than councillors)
- (b) the personal hardship of any resident or ratepayer
- (c) information that would, if disclosed, confer a commercial advantage on a person with whom the council is conducting (or proposes to conduct) business
- (d) commercial information of a confidential nature that would, if disclosed:
 - (i) prejudice the commercial position of the person who supplied it, or
 - (ii) confer a commercial advantage on a competitor of the council, or
 - (iii) reveal a trade secret
- (e) information that would, if disclosed, prejudice the maintenance of law
- (f) matters affecting the security of the council, councillors, council staff or council property
- (g) advice concerning litigation, or advice that would otherwise be privileged from production in legal proceedings on the grounds of legal professional privilege
- (h) information concerning the nature and location of a place or an item of Aboriginal significance on community land.

This report is **CONFIDENTIAL** in accordance with Section 10A(2)(h) of the Local Government Act 1993, which permits the meeting to be closed to the public for business relating to the following: -

- (h) information concerning the nature and location of a place or an item of Aboriginal significance on community land

This matter is classified confidential as it contains information on the location of an item of Aboriginal heritage which has been nominated for consideration as an Aboriginal Place under the National Parks and Wildlife Act 1974. It is of significant cultural value to the local indigenous community and therefore it is not in the public interest to reveal the details of this site.

It is not in the public interest to reveal all details of these tenders or the assessment process. Tenderers have provided sensitive information about their operations in the confidence that their details will not be made public by council. The practice of publication of sensitive information provided by tenderers could result in the withholding of such information by tenderers and reduction in the provision of information relevant to council's decision.

07-430 RESOLVED

THAT:

1. In principle support to the nomination of the site as an Aboriginal Place be provided based on its significance to Aboriginal people.
2. Council seek the assistance of the Local Member, Gerard Martin, MP to request the appropriate Ministers to undertake a review of the management responsibility for the Crown Reserve and the Minister for Climate Change, Environment and Water be requested not to determine this nomination until a review of the Reserve's management is completed.

MOVED: Councillor B P Morrissey
CARRIED

SECONDED: Councillor W McAndrew.

The Mayor reopened the meeting to the public and the General Manager advised them that the following resolutions were made in relation to the confidential reports:

ITEM 3 - CONFIDENTIAL REPORT - PROPOSED SALE OF FORMER GAS WORKS SITE

07-429 RESOLVED

THAT Council further negotiate the option from Environmental Earth Sciences for a period of four (4) months. A further report to be provided at the conclusion of the negotiations.

MOVED: Councillor B P Morrissey
CARRIED

SECONDED: Councillor M J Wilson.

ITEM 9 - CONFIDENTIAL REPORT - ABORIGINAL PLACE NOMINATION

07-430 RESOLVED

THAT:

3. In principle support to the nomination of the site as an Aboriginal Place be provided based on its significance to Aboriginal people.
4. Council seek the assistance of the Local Member, Gerard Martin, MP to request the appropriate Ministers to undertake a review of the management responsibility for the Crown Reserve and the Minister for Climate Change, Environment and Water be requested not to determine this nomination until a review of the Reserve's management is completed.

MOVED: Councillor B P Morrissey
CARRIED

SECONDED: Councillor W McAndrew.

Meeting closed at 8.50pm.