

1. ELECTRICITY CONTRACTS – STREET LIGHTING AND CONTESTABLE (LARGE) SITES

Introduction

The purpose of this report is to advise of a proposal to renew electricity contracts in conjunction with OROC bulk purchase arrangements.

Background

For a number of years Council has been a participant in the contract purchase of electricity for street lighting and some larger usage sites and, together with OROC councils, engaged Energy and Management Services (EMS) to negotiate on Council's behalf.

With contracts due for renewal for a January 2018 start, EMS has sought authority to commence negotiation and the necessary documentation has been completed.

At the time of preparing this report, contracts will be negotiated for street lighting and all Council sites.

In the proposal to all OROC Councils, EMS outlined the current electricity market and noted that this is probably one of the most difficult periods to confidently predict future direction.

Council also utilises e21 Energy Plus, an energy management software package developed and managed by EMS, to independently validate electricity accounts and record electricity usage.

Issues

With street lighting costs in the vicinity of \$140,000 per year, it is expected that total price will exceed Local Government Act tender limits (contract for 5 years) and therefore Council needs to resolve not to follow the generally required tendering process.

Assessment

a) Legal Implications

Local Government Act 1993

b) Financial Implications

Allowance in 17/18 and future budgets

c) Policy Implications

Nil

d) Strategic Implications

Delivery Program 4.3.1 Operate and manage Council in a financially sustainable manner that meets all statutory and regulatory compliance and Council policies.

1. ELECTRICITY CONTRACTS – STREET LIGHTING AND CONTESTABLE (LARGE) SITES (Cont.)

Summary

Due to the nature of negotiating electricity contracts, and short term pricing offers with such price fluctuations resulting in tenderers not being able to be relied upon to provide tenders which are fixed for a sufficient period of time to enable the normal tendering process to be completed by Council, and the requirement to move quickly should a short term opportunity arise to lock in attractive rates, that extenuating circumstances exist in regard to the provision of an electricity supply tender.

RECOMMENDATION

1. That the General Manager's actions in engaging Energy and Management Services to renegotiate Council's street light and contestable sites be endorsed;
2. That public tenders not be invited for the supply of electricity for Council's street lighting and contestable sites in accordance with Section 55(3)(i) of the Local Government Act, 1993 as it is considered that a satisfactory result would not be achieved by Council due to the extenuating circumstances that are created as a result of short term price fluctuations in the pricing for electricity with such price fluctuations resulting in tenderers not being able to be relied on to provide tenders which are fixed for a sufficient period of time to enable the normal tendering process to be completed by Council;
3. That the Mayor and General Manager be authorised to enter into a contract for the supply of electricity for both street lighting and contestable sites prior to 1 January 2018;
4. That authority be granted to sign and affix the seal to all associated documents.

2. DISCLOSURE OF INTERESTS OF COUNCILLORS AND DESIGNATED PERSONS RETURNS

Introduction

This report is presented to Council in order to table Cr Everingham's Disclosure of Interest Return as required by legislation.

Background

Council will recall that the Disclosure of Interest Returns for Councillors and Designated Persons were tabled at the October Ordinary Council meeting.

Issues

As Cr Everingham was elected to Council on 23 August 2017, her Disclosure of Interest Return was only due to be lodged with the General Manager by 23 November 2017.

In accordance with Section 450A(2)(a) of the Local Government Act 1993, returns lodged with the General Manager must be tabled at a meeting of the Council being the first meeting held after the last day for lodgement.

**2. DISCLOSURE OF INTERESTS OF COUNCILLORS AND DESIGNATED PERSONS RETURNS
(Cont.)**

Assessment

a) Legal Implications

Section 449A(1) – A councillor or designated person must complete and lodge with the general manager, within 3 months after becoming a councillor or designated person, a return in the form prescribed by the regulations.

Section 450A(2)(a) – Returns required to be lodged with the general manager under section 449 must be tabled at a meeting of the council, being (a) in the case of a return lodged in accordance with Section 449(1) – the first meeting held after the last day for lodgement under that subsection.

b) Financial Implications

None

c) Strategic Implications

This report relates to item 4.2.8 of the Delivery Program – Implement best practice governance standards, transparent decision making and a strong ethical culture.

Summary

Cr Everingham's Disclosure of Interest Return is tabled in accordance with Section 450A of Local Government Act 1993.

RECOMMENDATION

That the report be noted.

3. 2016/2017 ANNUAL REPORT

Introduction

The report is presented to Council to advise the publication of Council's 2016/2017 Annual Report.

Background

Local Government Act Requirements

Council must prepare an Annual Report within five months of the end of the financial year. The report must outline Council's achievements in implementing its Delivery Program. In the year of the ordinary election of Councillors the Annual Report must also include an outline of achievements in implementing the Community Strategic Plan; and include a report as to the state of the environment in the local government area. Council's Annual Report must also contain its audited financial statements. A copy of the report must be posted on Council's website and provided to the Minister.

3. 2016/2017 ANNUAL REPORT (Cont.)

Local Government (General) Regulation Requirements

The following information must also be included in Council's Annual Report:-

- Details of overseas visits by Councillors and Council Staff
- Details of Mayoral and Councillor fees, expenses and facilities
- Contracts awarded by the Council
- Amounts incurred in relation to legal proceedings
- Private works and financial assistance
- Details of external bodies, companies and partnerships
- Details of the General Manager's total remuneration
- Details of the total expenditure on Senior Staff remuneration
- Information on stormwater levies and charges
- A statement of the activities undertaken by the Council to implement its equal employment opportunity management plan

Key Achievements

- Extensive community consultation for the development of the new Community Strategic Plan 2027 and associated Integrated Planning and Reporting Documents
- Significant flood damage road restoration/repairs
- Implementation of a new Enterprise Resource Management System
- Replacement of Bulgandramine Bridge
- Nymagee Street Reservoir Rehabilitation
- Majority of targets in the Delivery Program achieved

Targets not achieved in the 2016/2017 financial year have been transferred to Council's 2016/2017 Delivery Program.

Assessment

a) Legal Implications

Sections 404, 428 and 428A of the Local Government Act 1993
Clause 217 of the Local Government (General) Regulation 2005

b) Financial Implications

Council's Audited Financial Statements are included in Annexure A of the Annual Report

c) Environmental Implications

Council's State of Environment Report is included in Annexure B of the Annual Report

3. 2016/2017 ANNUAL REPORT (Cont.)

d) Strategic Implications

This report relates to item 4.2.8 of the Delivery Program – Implement best practice governance standards, transparent decision making and a strong ethical culture; item 4.3.1 – Operate and manage Council in a financially sustainable manner that meets all statutory and regulatory compliance and Council policies.

Summary

Council's Annual Report for the 2016/2017 financial year has been prepared in accordance with legislative requirements and may be downloaded from Council's website.

RECOMMENDATION

That the report be noted.

4. CODE OF CONDUCT STATISTIC REPORT

Introduction

To provide Council with an amended statutory annual report on the Code of Conduct complaints received by Council for the period 1 September 2016 to 31 August 2017.

Background

Council will recall a report on the Code of Conduct Statistics for the period 1 September 2016 to 31 August 2017 was put before the November Ordinary Council Meeting.

Issues

It is noted that this report needs to be amended as follows:

Total number of code of conduct complaints made about Councillors and the General Manager under the Code of Conduct in the year to September.	2
Number of code of conduct complaints referred to a conduct reviewer.	1
Number of code of conduct complaints finalised by a conduct reviewer at the preliminary assessment stage and the outcome of those complaints - (Explanation).	1
Number of code of conduct complaints investigated by a conduct reviewer	0
Number of code of conduct complaints investigated by a conduct review committee.	0
Outcome of code of conduct complaints investigated by a conduct reviewer or conduct review committee, without identifying particular matters.	N/A
Number of matters reviewed by the OLG and, without identifying particular matters, the outcomes of the reviews.	0
Total cost of dealing with code of conduct complaints made about Councillors and the General Manager in the year to September, including staff costs.	\$1209.54 ex GST

4. CODE OF CONDUCT STATISTIC REPORT (Cont.)

Assessment

a) *Legal, Statutory and Financial Implications*

Office of Local Government – Model Code Procedures Clauses 12.1 and 12.2;
Total Costs for reporting period - \$1,209.54 excluding GST.

b) *Strategic Implications*

This report relates to item 4.2.8 of the Delivery Program – Implement best practice governance standards, transparent decision making and a strong ethical culture.

Summary

The above report has been amended to include a further complaint, referred to a conduct reviewer which was finalised at the preliminary assessment stage by explanation.

RECOMMENDATION

That the amended report be noted.

5. SALEYARDS COMPLEX AGREEMENT

Introduction

This report is presented to Council for consideration of renewing the Saleyards Complex Agreement with the Narromine Stock Agents Pty Ltd.

Background

At the Ordinary Council Meeting held on 8 June 2016, Council resolved to lease the saleyards complex for \$20,000 plus GST per annum, with the Mayor and General Manager negotiating the final agreement; and further that the lease be reconsidered after twelve months.

An agreement was subsequently entered into with the Agents for a twelve month period which will expire on 23 December 2017.

Issues

A meeting was recently held with several members of the Narromine Stock Agents who have indicated that they would be willing to enter into a further 3 year agreement with the same terms and conditions as the existing agreement; with the exception of the inclusion of a three month termination notice period to be exercised within the three year agreement period if required.

5. SALEYARDS COMPLEX AGREEMENT (Cont.)

The agents have advised that in the 2014/2015 financial year, the yarding's were recorded at approximately 90,000; and that in the last financial year the yarding's have decreased to approximately 60,000.

As a result of the decreased yarding's (due to online auctions as well as seasonal factors), it is suggested that the new agreement retain the same lease fee per annum with no annual CPI increments applied.

Assessment

a) Legal Implications

The current licence agreement between Council and the Narromine Stock Agents Pty Ltd for the lease of the Narromine Saleyards Complex expires 23 December 2017. Council will need to enter into a new agreement if it wishes to continue leasing the facility.

b) Financial Implications

It is proposed that the lease fee remain at \$20,000 plus GST per annum for the three year lease period.

c) Strategic Implications

This report relates to Item 4.3.4 of the Delivery Program - Ensure Council's property assets are monitored and well managed.

Summary

The current agreement for the lease of the Narromine Saleyards Complex will expire on 23 December 2017. The agents have advised they wish to enter into a further three year agreement with the same terms and conditions applied; however with the addition of a three month notice period of termination to be exercised within the term of the agreement if required. It is suggested that the lease fee remain at \$20,000 plus GST per annum for the full term of the agreement.

RECOMMENDATION

1. That Council enter into a three year agreement with Narromine Stock Agents Pty Ltd on the same terms and conditions as the previous lease with the addition of a three month notice period of termination to be exercised if required; and
2. FURTHER That the lease fee for the Narromine Saleyards Complex be \$20,000 plus GST per annum for the full term of the three year agreement.

6. NARROMINE QUARRY (R120054) RESERVE TRUST

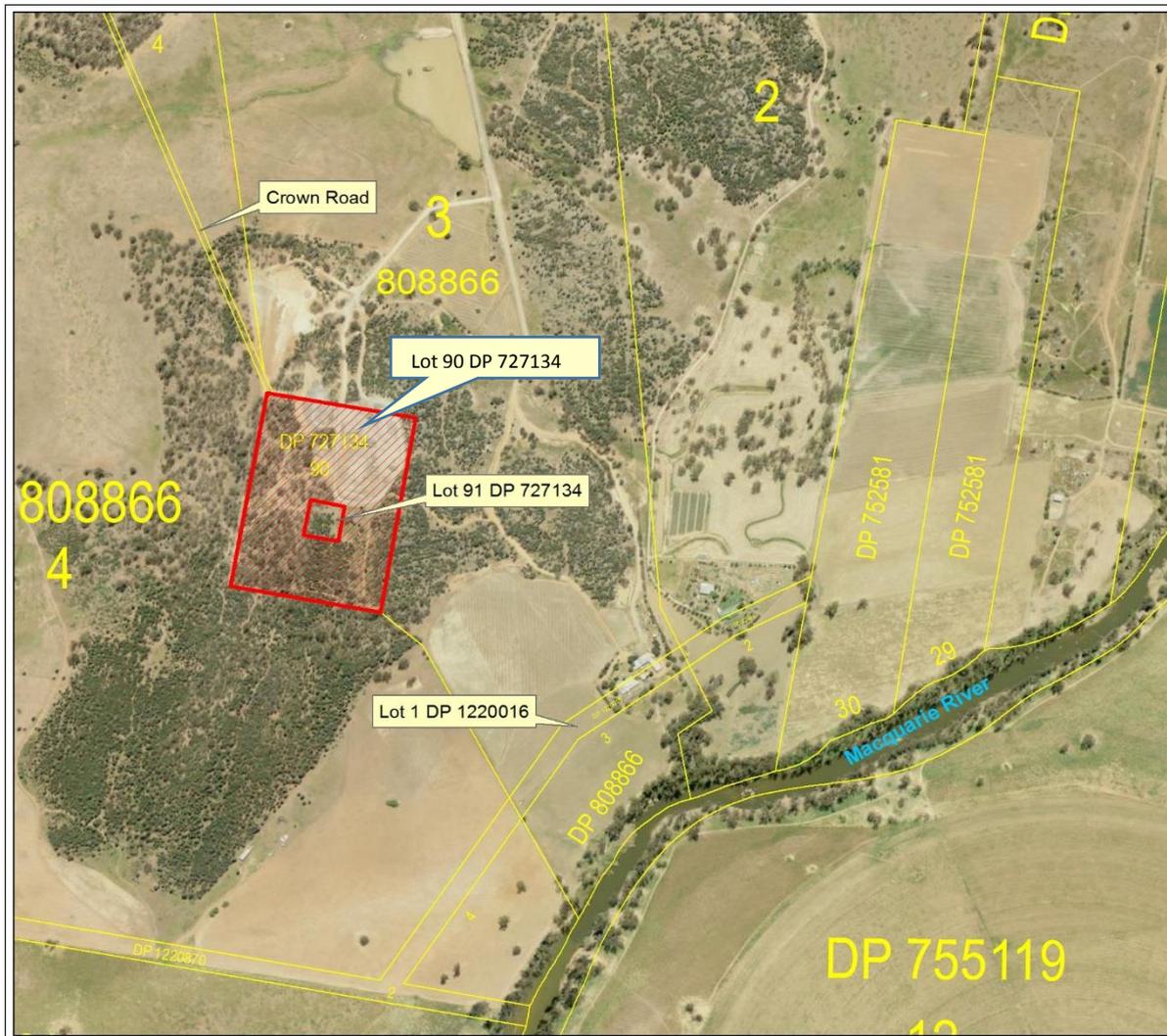
Introduction

This report is presented to Council for consideration of concurrence to Licence Application LI587853.

Background

Council is the Reserve Trust Manager of the Narrromine Quarry (R120054) Reserve Trust – Lot 90 DP 727134.

The NSW Department of Industry – Lands and Forestry has received a licence application for quarry over Crown Land including part of Reserve 120054 (**see below**). The proposal is currently under consideration by Crown Lands however as Trust Manager of the Reserve, concurrence to the proposal is sought. Objections or comments will need to be submitted in writing to the Department by 16 December 2017.



6. NARROMINE QUARRY (R120054) RESERVE TRUST (Cont.)

Issues

Currently gravel is extracted from the existing pit located on Lot 3 DP808866. The landholder of Lot 3, has now applied to the NSW Department of Industry, to extend the gravel pit further into part of Reserve 120054, being Lot 90 DP 727134.

Lot 91, DP 727134 is reserved by the Crown for trig purposes, however it is not under Council's control. As Reserve 120054 has been reserved by the Minister for the purpose of quarry, it is recommended that concurrence be granted by the Reserve Trust for expansion of the existing quarry site, under licence LI 587853.

Assessment

a) *Legal Implications*

Council is the Trust Manager of the Narromine Quarry (R120054) Reserve Trust. Concurrence to the licence application is being sought for the expansion of the existing quarry into part of Reserve 120054.

b) *Financial Implications*

There are no financial implications with respect to the concurrence of the proposed application. Council's purchase of gravel from private land owners is factored into estimates for works within Council's approved budget.

c) *Environmental Implications*

Landholders are required to operate under a Mine Safety Management Plan under the Work Health and Safety (Mines) Act 2013.

There are environmental benefits from the use of gravel pits close to the proximity of work sites. Lower haulage distances result in less fossil fuel use and lower greenhouse gas emissions.

d) *Strategic Implications*

This item relates to item 4.3.4 of the Delivery Program – Ensure Council's property assets are monitored and well managed.

Summary

Council has received notification from the Department of Industry – Lands and Forestry that it is considering a licence application for the purpose of quarry (including part of Reserve 120054). As Council is the Trust Manager of Narromine Quarry (R120054) Reserve Trust, concurrence to the application is now sought.

RECOMMENDATION

That The Trust Manager of Narromine Quarry (R120054) Reserve Trust grant concurrence to Licence Application LI 587853 for the purpose of quarry.

7. PURCHASE OF LOT 59 DP 755131

Introduction

This report is presented to Council to consider classifying Lot 59 DP 755131 as operational land.

Background

Council at its Ordinary Meeting held 11 October 2017, resolved to purchase Lot 59 DP 755131 for \$225,000 for future residential development.

Accordingly, contracts were exchanged and settlement was effected 1 December 2017.

Issues

Section 31 of the Local Government Act 1993 determines that before Council acquires land, or within 3 months after it acquires land, Council may resolve that the land be classified as community land or operational land. Any land acquired by Council that is not classified at the end of the 3 month period is taken to have been classified under a local environmental plan as community land. While the land remains unclassified, it cannot be used for any purpose other than that for which it was used immediately before it was acquired, and Council cannot dispose of any interest in the land.

Section 34 of the Act provides that Council must give public notice of a proposed resolution to classify public land, including the terms of the proposed resolution and a description of the public land concerned. The public notice must specify a period of not less than 28 days during which submissions may be made to Council.

Assessment

a) Legal Implications

Sections 31 and 34 of the Local Government Act 1993.

b) Financial Implications

Purchase price of the land as previously resolved by Council.

c) Strategic Implications

This report relates to item 3.4 of the Community Strategic Plan 'Ensure a Range of Housing Options for the Community' and item 3.4.2 'Ensure appropriately zoned land that meets residential needs through the Shire's communities'.

Summary

Council has purchased Lot 59 DP 755131 for future residential development. It is recommended that Council now classify this land as operational land and provide public notice of its proposed resolution for a period of not less than 28 days for submissions to be made to Council.

7. PURCHASE OF LOT 59 DP 755131 (Cont.)

RECOMMENDATION

That Council classify Lot 59 DP 755131 as operational land and provide public notice of its resolution for a period of not less than 28 days for submissions.

8. COMMUNITY GARDEN

Introduction

This report is presented to Council to provide information on the progress of the establishment of a community garden.

Background

Council at its Ordinary Meeting held in August 2014 resolved that it lease an area of land behind the Historical Museum in Burraway Street to Ngarru Mayin Elders Aboriginal Corporation for an initial period of one year, at a rental of \$1 per annum payable on demand, for the purpose of establishing a community garden (Resolution No 2014/243).

Council then resolved at its Ordinary Meeting held in October 2014 to waive \$600 charges to the Ngarru Mayin Elders (Resolution No 2014/325). This was in relation to an application received under the requests for financial assistance program and was specifically for the waiver of water usage charges for the community garden. This money was thereafter credited to the Ngarru Mayin Elders Aboriginal Corporation water account.

Following the above resolutions, it was subsequently determined that the area of land to be leased was not actually under Council's control and was in fact reserved by the Crown for police purposes. Several attempts were made to gain approval to use this land, however under the Crown Land Act 1998, as it is reserved for police purposes, it cannot be used for any other purpose without a long and protracted change process. The community garden therefore did not progress.

Recently, funding was applied for by the Macquarie Valley Landcare Group Inc., with the consent of the Ngarru Mayin Elders Aboriginal Corporation, to build a bush food garden at the Narromine Historical Museum. At the time, Council was not aware this funding was being applied for. The funding has now been granted.

Issues

In order to assist with the progress of this community garden, it has been agreed that the Macquarie Valley Landcare Group may use the portion of land adjacent to the Museum for the establishment of the garden in early 2018.

8. COMMUNITY GARDEN (Cont.)

As Council provided the Ngarru Mayin Elders Aboriginal Corporation with \$600 for the water usage for the community garden, which was never established due to the above issues, it will be necessary for the Ngarru Mayin Elders Aboriginal Corporation to pay for the community garden's water usage going forward up to the value of the waiver granted by Council.

The General Manager has spoken to representatives from both the Macquarie Valley Landcare Group and the Ngarru Mayin Elders Aboriginal Corporation about the way forward in this matter. It is anticipated that a Memorandum of Understanding between all parties will be entered into.

Assessment

a) *Legal Implications and Policy Directives*

Council's previous resolutions to lease the land at \$1 per annum payable on demand, and provide a \$600 waiver for water usage charges.

b) *Financial Implications*

Nil

c) *Strategic Implications*

Community Strategic Plan – Item 1.2 - a vibrant and diverse community that has a strong sense of belonging and wellbeing. Item 1.2.5 - protect and celebrate Aboriginal heritage and culture and provide opportunities for interpretation and understanding.

Summary

It is intended that the Macquarie Valley Landcare Group Inc., the Ngarru Mayin Elders Aboriginal Corporation and Council will enter into a Memorandum of Understanding to utilise a portion of land adjacent to the Historical Museum Building for the purposes of a community garden.

RECOMMENDATION

That the report be noted.

Jane Redden
General Manager