



BUSINESS PAPER

Ordinary Meeting of Council

to be held at

Council Administration Centre

180 Mort Street, Lithgow

on

Monday 22 February 2021

at 7:00 PM

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1. Acknowledgement of Country

Acknowledgement of Country

I would like to acknowledge the traditional custodians of this land we are on here today, and pay respect to their elders both past, present and emerging.

Declaration of Webcasting

I inform all those in attendance at this meeting, that the meeting is being webcast and that those in attendance should refrain from making any defamatory statements concerning any person, Councillor or employee, and refrain from discussing those matters subject to Closed Council proceedings as indicated in clause 14.1 of the code of meeting practice.

2. Present

3. Apologies

4. Declaration of Interest

5. Confirmation of Minutes

6. Commemorations and Announcements

7. Public Forum

8. Mayoral Minutes

8.1. Mayoral Minute - 22/02/2021 - Stance on Bullying

Report by Mayor – Councillor Ray Thompson

Commentary

I would like to make a statement in response to a recent incident in which a member of our community was bullied online and received personal threats to herself and her family. The Lithgow Mercury posted an article on 26 January 2021 relating to this unfortunate incident. The article was written by a most impressive local young person who was coordinating an event intended to present the perspectives of some members of the local aboriginal community in relation to how modern Australia is celebrated on January 26. It was a very articulate piece about the peaceful intention behind the event, the person's personal experiences, and the broader historical context. It also detailed that ultimately the event was cancelled due to the abuse and threats received. The article included screenshots of the messages that were sent to her directly. These messages, and subsequent social media commentary, are distressing.

It is undoubted that Council has a leadership role in matters of community wellbeing. Council provides a vast array of services and campaigns that aim to address and raise awareness of mental health, violence and bullying.

As Mayor, and I believe I speak on behalf of this community as I know it, I strongly condemn this bullying and abuse.

Everyone deserves to feel safe in this community.

Together, we must promote and uphold the values everyone deserves within our community – kindness, inclusion and respect for all.

I would like to call on Councillors, Council staff, and the broader community to always condemn and call out bullying as being unacceptable.

Attachments

Nil

Recommendation

THAT the Council note this Mayoral Minute.

8.2. Mayoral Minute - 22/02/2021 - Acknowledgement of Retirement David Mitchell

Report by Mayor – Councillor Ray Thompson

Commentary

I wish to express my gratitude and appreciation for the efforts of David Mitchell, Urban Works Coordinator who just recently retired from Council after 43 years continuous service with Lithgow City Council.

David commenced with Council in 1976 as an Apprentice Plumber. He later qualified as a Plumber, Drainer and Gas Fitter. David was appointed to the position of Rural Works Foreman in March 1991 before working his way up to the Urban Works Coordinator role in September 1994. The General Manager at the time congratulated David on his promotion and said he looked forward to a long and ongoing relationship. Little did he know that David would continue for a further 26 years before his recent retirement.

David was a highly respected supervisor and will be greatly missed by his staff and colleagues at Lithgow City Council. He always put the Lithgow community first through his hard work and loyalty. The skills, experience and local knowledge that David takes with him will be a great loss to the organisation but true to his nature David ensured a smooth transition for his successor.

I extend my warmest wishes to David and his family and wish him a healthy, happy, and fulfilling retirement. Congratulations and thank-you for 43 years of service to the Lithgow Community.

Attachments

Nil

Recommendation

THAT Council joins me in thanking David for his 43 years of service to Lithgow City Council and wish him well in his retirement.

9. Notices of Motion

9.1. Notice of Motion - Ruled Unlawful

Report by General Manager – Craig Butler

Summary

Two notices of motion were received by the General Manager. Both dealt with the same business. It has been determined that the business proposed by the notices of motion is (or the implementation of that business would be) unlawful. Pursuant to clause 3.20 of the Code of Meeting Practice the General Manager has excluded the matters from the agenda for this meeting. This requires that the exclusion be reported to the next council meeting.

Commentary

Clause 3:10 of Council's Code of Meeting Practice (the Code) provides that a councillor may give notice of any business they wish to be considered by the council at its next ordinary meeting by way of a notice of motion. Two notices of motion were received.

Notices of motion are not able to be included in the business paper if they are unlawful (Clause 3:20 of the Code). It has been determined that the business proposed by the notices of motion is (or the implementation of that business would be) unlawful. Clause 3.20 is reproduced below for ease of reference.

3.20 The general manager must not include in the agenda for a meeting of the council any business of which due notice has been given if, in the opinion of the general manager, the business is, or the implementation of the business would be, unlawful. The general manager must report, without giving details of the item of business, any such exclusion to the next meeting of the council.

Policy Implications

This report ensures compliance with the adopted Code of Meeting Practice.

Attachments

Nil

Recommendation

THAT Council note the decision of the General Manager to determine two notices of motion to be unlawful and on that basis to not include those in this business paper pursuant to Clause 3.20 of Council's Code of Meeting Practice.

9.2. Notice of Motion - Councillor Statham - Portland Tidy Towns Swing Structure

Report by Councillor Maree Statham

Commentary

Portland Tidy Towns are seeking approval from Council to provide some suitable land for swing structures on Saville Park adjacent to the Rotunda.

Currently there are very few swings in Portland, none at all in the area of interest.

Tidy Towns have a limited budget, however the committee can see this as an opportunity to commence a partnership with Lithgow City Council. If the land becomes available Portland Tidy Towns would apply for funding in addition to the funds Tidy Towns can provide. The only cost to Council would be Insurance.

There is a great need in the Portland community for additional equipment for children. Last weekend Portland hosted the annual Nick Way touch football knock out competition. Hundreds of visitors were in the town for the weekend, like other previous years I was asked where the nearest swings were located.

The proposed location has not been determined, the swings would be in a central area, close to Rotunda, the Portland Pool, opposite the Foundations and a short distance to local food outlets.

Attachments

Nil

Recommendation

THAT Lithgow City Council support Portland Tidy Towns request for an area of land adjacent to the Rotunda located at Saville Park Portland. If successful Portland Tidy Towns request for the proposed swings to be included in Lithgow City Council insurance. This land would be used to provide suitable swings for local children and visiting families.

Management Comment

The administration acknowledges the significant generosity, goodwill and hard work of our local Tidy Towns organisations. However, the costs of installing new public assets goes beyond purchase costs. Each asset Council installs (or another party installs on Council's behalf) must be added to Council's asset register. Additional to the insurance, this attracts yearly depreciation and ongoing maintenance costs. Moreover, all additional recreational infrastructure is subject to the risk of vandalism, potentially attracting further costs. Lastly, Council has a process wherein all playgrounds and play equipment is inspected weekly for defects, vandalism or any other issues that might impact the safety of users. This also comes at a cost to Council.

In summary, instead of installing scattered recreational assets throughout the LGA, it would be more productive if the Portland Tidy Towns worked with the Council to identify existing assets that might require renewal or replacement. This would be at no additional cost to Council and would also greatly benefit those users within the Portland community.

9.3. Notice of Motion - Councillor Statham - Bush Fire Recovery - Tip Fees

Report by Councillor Maree Statham

Commentary

Many residents in our Local Government are still striving to maintain some normality after the December 2019 January 2020 bush fires. Losing your home is an experience no one would ever forget, it will be in their minds for the remainder of their lives.

The debris and loss of household goods and memorabilia is heart breaking and mentally draining for the unfortunate residents who experienced such tragedy.

Nick, Susan Alexander and their daughter, Jessica were devastated, shocked and shattered when they realised they had no home. Nick was out fighting to save other residents homes not knowing their own home had been a victim of the horrendous fire.

The Alexander's are finally seeing a light at the end of a long stressful year realising their new home is becoming a reality.

Whilst the Alexander's are forever grateful and thankful for the overwhelming support they have received they were shocked and saddened to find they had to pay fees of \$1,302.60 for the land fill incurred from the loss of many trees and debris from the fire.

The residents had several trucks of landfill with no cost, after a certain amount fees were involved. Along with several other families who faced the same situation, they are requesting a reimbursement from the Bush Fire funding grants to cover the cost of tip fees incurred after their quota expired. The residents were not informed of the quota, they were in fact advised all debris would be accepted free of charge.

Attachments

Nil

Recommendation

THAT Lithgow City Council reimburse Lithgow Local Government residents who can provide written evidence they incurred excessive tip fees from the devastating bush fires 2019/2020. This could be realised from the Bush Fire Recovery funding provided to Councils effected by the 2019/ 2020 fires.

Management Comment

Any fees collected at the Lithgow Solid Waste Facility for bushfire waste, prior to Council taking over operation of the facility on 1 January 2021, were charged by the former contractor and not Council. Consequently, Council is unable to provide a reimbursement for fees that it did not collect. Council may recall its consideration of this issue at its Ordinary Meeting of 23 March 2020 where it resolved as follows:

Henry Plant and Equipment Hire be requested to treat loads of uncontaminated bushfire waste, other than subject to the co-ordinated clean-up co-ordinated by Public Works, as residential waste and not charge accordingly.

Such request was made by correspondence to Henry Plant and Equipment Hire.

9.4. Notice of Motion - Councillor Statham - Bush Telegraph - Megalong Valley

Report by Councillor Maree Statham

Commentary

The Megalong Valley Land Owners requested funding to develop a digital “Bush Telegraph” system that will support emergency resilience through sharing of knowledge within the community and to visitors of emergencies and incidents such as local road closures with the objective of improving community communication and being better prepared to navigate future natural disasters.

The Megalong Valley is accessible via only a single sealed public road - the Megalong Road. This road climbs out of the valley through a steep gorge of temperate rainforest vegetation, between the escarpment to Blackheath and the Great Western Highway. Given the spread and geography of the Megalong Valley, unsurprisingly there are numerous locations in the valley that are only reached via a single dead end road. Many of these roads are lined by trees or run through thick bush. A number of them also cross water courses that sometimes flood.

Based on the most recent census data from 2016, the resident population of the valley is 149 people and including 36 families. That said, the visitor population is significantly higher, reflecting many non-residents with property in the valley, plus tourists ranging from day-trippers going to attractions such as the wineries, the tearooms and the 6-foot track, to those staying at a number of short term rental accommodations.

Our community and visitors are reliant on emergency service support from Blackheath and Katoomba (outside of the valley).

This grant application is strongly supported by the Megalong Valley Community and Landowners Association (latest membership list count is 51)

Road closures in the Megalong Valley occur due to a range of reasons including

- * tree falls
- * flooding
- * fires
- * accidents

Our solution involves quick and automatic dissemination of ‘crowd-sourced’ road closure / incident information which has the advantage of speed and flexibility to cover even the smallest roads within isolated communities.

Total Funding Requested \$126,181

- * Focused and well defined system development specification
- * Competitive tendering of the development contract
- * Careful and deliberate oversight of the development process

The digital system will be developed with sufficient flexibility that other similar rural communities such as those in the Lithgow LGA will be able to take advantage of the functionality if they find it useful.

Attachments

1. Bush Telegraph - Project Overview and Summary Specification [9.4.1 - 3 pages]

Recommendation

THAT Lithgow City Council support the Megalong Valley Community and Land Owners Association with a letter of support for funding from Lithgow City Council to Minister Paul Toole and the Honourable David Elliot, Minister for Emergency Services. The projects are detailed in the Commentary.

Management Comment

The resilience of our remote communities is of utmost importance from a strategic emergency management perspective. While Council is continuing to work actively to resolve geotechnical risks and constraints, communication is also critical before, during and after natural disasters. Such a letter of support aligns with Council's ongoing efforts to improve in this space and is supported.

10. Staff Reports

10.1. Economic Development and Environment Reports

10.1.1. Building and Development

10.1.1.1. ECDEV - 22/02/2021 - DA256/20 - Replacement of Facade and Awning, 157 Main Street Lithgow

| | |
|-------------------------|---|
| Prepared by | Lauren Stevens - Development Planner |
| Department | Economic Development & Environment |
| Authorised by | Director of Economic Development & Environment |
| Property Details | Lot A and B DP 344745, 157 Main Street Lithgow NSW 2790 |
| Property Owner | Lithgow City Council |
| Applicant | Lithgow City Council |

Summary

The purpose of this report is to assess and recommend determination of Development Application DA256/20 for a replacement awning and upgraded façade for the Lithgow Library at 157 Main Street, Lithgow (Lot A and B DP 344745).

Commentary

This application has been submitted by Council's Community and Culture Department in order to obtain development consent for the installation of a replacement awning over the public footpath and an upgraded front façade to the Lithgow Library building. In accordance with Council Policy 7.6 (Development Applications by Councillors and Staff or on Council Owned Land), the application is reported to this Ordinary Meeting for determination.

In many cases, development involving the construction of a public facility can be undertaken without development consent when undertaken by Council in accordance with the provisions of *State Environmental Planning Policy (Infrastructure) 2007*. Because the Library is located within the Main Street Heritage Conservation Area under the *Lithgow Local Environmental Plan 2014* (LEP), the proposal requires development consent.

The development application seeks consent for installation of a new awning along the library frontage to Main Street and an upgraded façade involving the following:

- Reconstruction of the eastern end of the façade with a brick veneer wall,
- Retention of existing entry doors and western end windows,
- Replacement of fibre cement cladding with CorTen (rusty steel) cladding,
- Provision of a new CorTen parapet above the awning on the western end library, and
- New signage and lighting.

Details of the proposal are contained in the Architectural Plans and Drawings, the Statement of Environmental Effects and Specialist Lighting Concepts Design provided in Attachments 1, 2 and 3.

The heritage aspects of the proposal and its suitability for the site in its context within the Main Street Heritage Conservation Area are addressed in the Heritage Impact Statement provided in Attachment 4. The proposal has been designed having regard for the heritage character of the Main Street Heritage Conservation Area and will provide an improved built form for the site that contributes to the public amenity of Main Street and is compatible with its heritage character.

The proposal has been assessed in accordance with the requirements of section 4.15 of the *Environmental Planning and Assessment Act 1979* as detailed in the assessment report in Attachment 5. This assessment report recommends granting approval to the development subject to conditional consent.

Policy Implications

Lithgow Community Participation Plan

The development proposal was not subject to public exhibition or notification in accordance with the provisions of this Plan and as detailed in the planning assessment report in Attachment 5.

Policy 7.6 Development Applications by Councillors and Staff or on Council Owned Land

This development application, being development on Council owned land, is being reported to this Ordinary Meeting for determination in accordance with this Policy.

Financial Implications

- Budget approved - N/A for the assessment of the development application.
- Cost centre - N/A for the assessment of the development application.
- Expended to date - N/A for the assessment of the development application.
- Future potential impact - N/A for the assessment of the development application.

Legal and Risk Management Implications

Environmental Planning and Assessment Act 1979

In determining a development application, Council as the consent authority is required to take into consideration the matters of relevance under Section 4.15 of the *Environmental Planning and Assessment Act 1979*. These are addressed in the planning assessment report in Attachment 5.

Attachments

1. DA256/20 - Plans and Architectural Drawings [**10.1.1.1.1** - 6 pages]
2. DA256/20 - Statement of Environmental Effects [**10.1.1.1.2** - 6 pages]
3. DA256/20 - Lighting Concept Design [**10.1.1.1.3** - 6 pages]
4. DA256/20 - Heritage Impact Statement [**10.1.1.1.4** - 15 pages]
5. DA256/20 - Planning Assessment Report [**10.1.1.1.5** - 18 pages]

Recommendation

THAT

1. Development Application DA256/20 be APPROVED subject to conditions on the consent as shown in the attached planning assessment report.
2. A DIVISION be called in accordance with the requirements of Section 375A(3) of the Local Government Act, 1993.

10.1.1.2. ECDEV - 22/02/2021 - DA141/19 - Demolition of Existing Service Station and Construction of New Service Station, 1106 Great Western Highway, Bowenfels

Prepared by Lachlan Sims – Acting Team Leader Development
Department Economic Development & Environment
Authorised by Director of Economic Development & Environment

Property Details Lot 5 DP 13247, BP Service Station, 1106 Great Western Highway Bowenfels NSW 2790

Property Owner Gladfield Lithgow Pty Ltd

Applicant Arrowfield Projects

Reference

Min No 19-274 - Ordinary Meeting of Council held on 23 September 2019, DA141/19 Proposed Demolition and Construction of Service Station, 1106 Great Western Highway, Bowenfels - Call-In Report

Summary

To assess and recommend determination of Development Application (DA141/19) for the demolition of an existing service station & construction of new service station on land at 1106 Great Western Highway, Bowenfels (Lot 5 DP 13247). The recommendation is that the development application be refused.

Commentary

The development application was initially submitted on 12 August 2019 and sought consent for the full redevelopment and expansion of the existing service station. The application involved the expansion of the development towards the rear of the site. As part of the assessment of the original submission, Council staff undertook a preliminary assessment of the proposal and referrals were made to various government agencies. Several aspects of the development were identified as requiring further information to enable an appropriate assessment. This included:

- Stormwater treatment and management details,
- Acoustic assessment,
- Traffic, parking and access information, and
- A number of other design details inadequately detailed in the submitted DA.

Some additional information was submitted by the applicant addressing the information requested, however, this was insufficient to adequately address the items identified.

The original application was also subject to public notification with the development application placed on public exhibition and notification of the proposal given to surrounding landowners. In response, 6 submissions of objection were received. In addition to the above, the development application was called in by Council by resolution (19-274) at its Ordinary Meeting held on 23 September 2019. At this meeting, Council resolved to call the application in for determination by Council at a subsequent meeting and that an on-site meeting be held with Councillors, staff, objectors, and the applicant. For the reasons outlined below and the subsequent recommendation, unless Council is of a mind to consider approval of the application, it is submitted that there is now no need to proceed with the on-site meeting.

On 15 September 2020 amended drawings were submitted for the proposal which substantially reduced the extent and scale of the development, essentially involving the refurbishment of the existing building and facilities, including new signage and 24hr operations. Insufficient supporting documentation has been provided with the revised design to address the essential components of the proposal and how it differed from the originally submitted documentation. In response, several requests have been made of the applicant to provide the additional required documentation without a satisfactory response.

Because of the above and the insufficient information submitted to support the proposal, the application is unable to demonstrate that the development would not have an adverse environmental impact and does not adequately address the potential social and economic impacts in the locality or the suitability of the site for the development. Because of this, Council is unable to assess the application in accordance with the requirements of clause 4.15 of the *Environmental Planning and Assessment Act 1979*.

The original application was also placed on public exhibition in accordance with the Council's notification policy (in force at the time of lodgement). This involved the notification of surrounding landowners of the application and the provision of application documentation for public viewing at Council's customer service counter. The public exhibition period was 28 days and 6 submissions were received raising objections to the proposal.

The issues raised in the submissions are summarised as follows:

- The 24/7 operations will create additional noise impacts from trucks and vehicle movements, social noise from people using the outdoor dining area and using the facility;
- The development would encourage more trucks to stop and disruptions from inappropriate anti-social behaviour;
- The proposed operations will create additional rubbish and hazardous material to the area.
- The development will create a place where people would congregate;
- Additional traffic movements and foot traffic utilising the entrance on Tweed Road throughout all hours of the day and night;
- The safety of the intersection of Tweed Road and the Great Western Highway with no designated turning lane;
- Materials, finishes and configuration of proposed 2.2m solid fencing and/or retaining walls,
- Impacts from trucks and increased traffic movements on Great Western Highway accesses and adjoining properties;
- Impacts to the existing footpath from current truck movements/access;
- New building will be highly visible from Tweed Road and will reduce the sale value of the properties;
- Increased light pollution from the signage and noise pollution from an increase in traffic movements; and
- Increased foul odours (petrochemical smell).

The applicant has been requested to submit additional information to address a number of the issues raised above and has failed to adequately respond to this request.

The revised design received from the applicant is not supported by sufficient information to address the changes in the design, what impacts will be altered and how these are proposed to be mitigated. Because of this, the amended application has not been re-notified or re-exhibited. A number of requests have been made of the applicant to provide this information. Because of this, the impacts of the proposal have not been addressed, cannot be assessed and the application cannot be supported.

Policy Implications

Policy 7.5 Notification of Development Applications

Council's Policy 7.5 applied to all land within the Lithgow Local Government Area (LGA) and was in force at the time of lodgement of the application. The development application was subject to public exhibition for 28 days with written notification of the proposal given to adjoining/adjacent property owners. During the public exhibition period 6 submissions were received objecting to the proposal as addressed above.

Policy 7.7 Calling In Of Development Applications By Councillors

This application has been called in pursuant to Policy 7.7 "Calling in of Applications by Councillors". Item 3 that states:

3. *Should written notice signed by a Councillor be provided to the General Manager prior to determination of a development application, the application shall not be determined under delegated authority but shall be:*

- *Reported to the next available Ordinary Meeting for the information of Council that the development application or development application/construction certificate has been 'called in'; and*
- *Reported to a Meeting of Council for determination where the application is in a state that it can be determined.*

The application has been called in by Councillor Wayne McAndrew, with the call-in reported at the Ordinary meeting of Council dated 23 September 2020; Min no. 19-274.

Financial Implications

- Budget approved - N/A
- Cost centre - N/A
- Expended to date - N/A
- Future potential impact - N/A

Legal and Risk Management Implications

In determining a development application, a consent authority is also required to take into consideration the matters of relevance under Section 4.15 of the *Environmental Planning and Assessment Act 1979*. The development application has been assessed in accordance with the above statutory requirements and a copy of the planning assessment report is provided in Attachment 1.

Attachments

1. DA141/19 - Planning Assessment Report [**10.1.1.2.1** - 11 pages]

Recommendation

THAT

1. The Development Application DA141/19 be **REFUSED** for the following reasons:
 - a. Insufficient information has been submitted in support of the development application to enable a full assessment of the proposal under the requirements of section 4.15 of the *Environmental Planning and Assessment Act 1979* and in accordance with Part 1 of Schedule 1 of the *Environmental Planning and Assessment Regulation 2000*.
 - b. The traffic generating characteristics of the development have been inadequately addressed and the proposed vehicular access arrangements for the development are unacceptable; and
 - c. Transport for NSW (RMS) have not given support to the proposal in accordance with clauses 101 and 104 of *State Environmental Planning Policy (Infrastructure) 2007*; and
 - d. The impact of the development on the amenity of the surrounding locality cannot be determined due to the lack of sufficient information to enable a full assessment and evaluation of potential environmental impacts,

- e. Insufficient detail has been submitted in support of the development in relation to its design, how negative environmental impacts have been identified, how these will be mitigated and the suitability of the site for the development, and
 - f. Approval of the development due to the deficiencies identified in the application is not in the public interest.
2. A DIVISION be called in accordance with the requirements of Section 375A(3) of the Local Government Act, 1993.

10.1.1.3. ECDEV - 22/02/2021 - DA196/18 - 34 Lot Residential Subdivision, 111 Ian Holt Drive, Lidsdale

Prepared by Lachlan Sims - Development Planner
Department Economic Development & Environment
Authorised by Director of Economic Development & Environment

Property Details 111 Ian Holt Drive, Lidsdale (Lot 2 DP 574754)
Property Owner Charles & Joan Applin
Applicant Charles & Joan Applin, c/- Anthony Daintith Town Planning

Reference

Min No. 19-326 – Ordinary Meeting of Council 25 November 2019

Summary

To assess and recommend determination of Development Application DA196/18 and to seek endorsement of the Draft Voluntary Planning Agreement for the subdivision of land at 111 Ian Holt Drive, Lidsdale identified as Lot 2 DP 574754 into 34 rural residential lots.

Commentary

Development Application DA196/18 seeks consent for the subdivision of land at 111 Ian Holt Drive, Lidsdale (Lot 817 DP 814174) into 34 residential lots. A plan of the proposed subdivision, lot layout and road configuration are provided in Attachment 1. The specifics of the proposal are addressed in the Statement of Environmental Effects submitted by the applicant provided in Attachment 2.

The land subject to the proposal is illustrated in the image below and comprises an area of 11.31 hectares on the northern edge of the Lidsdale village adjacent to Castlereagh Highway and Maddox Lane. The proposal involves the subdivision of land with large rural lifestyle type lots (minimum 2000 square metres) in a semi-rural, urban fringe environment. The land currently contains a rural dwelling and associated outbuildings listed as a heritage item under the *Lithgow Local Environmental Plan 2014* (LEP). These buildings will, in the main, be retained as part of the development.

The development application has been assessed in accordance with statutory requirements and is recommended for conditional approval. Details of the assessment and recommended consent conditions are provided in Attachment 3.

The applicant has also offered to enter a Voluntary Planning Agreement (VPA) with Council that will provide a contribution of \$3,000 per new lot (total of \$99,000) towards Council's delivery of community facilities and open space infrastructure and a contribution of \$5,000 per new lot with primary frontage to Maddox Lane (Lots 2 to 6, total of \$25,000) towards future upgrade works on Maddox Lane between the eastern property boundary and Wolgan Road. A copy of the draft VPA is provided in Attachment 4.

This application (DA196/18) was previously considered by Council at its Ordinary Meeting held on 25 November 2019 where it was resolved (Min No 19-326):

THAT:

1. *The Item in relation to DA196/18 be deferred*
2. *A site visit be organised with the staff, applicant, Councillors and neighbours.*

A site meeting was subsequently held on 10 December 2019 with Councillors, staff, the applicant and neighbours in attendance. A number of issues were raised and discussed at the site meeting, most notably the potential contamination of the land due to the former industrial use of the adjoining land for chemical treatment of timber products. The applicant was requested to address this issue as well as other matters raised at the site meeting.

Following further discussions with Council staff, the applicant submitted additional documentation during 2020 including a contamination validation report that addressed the potential contamination of the site and detailed remediation works undertaken to ensure the land is suitable for residential development. The applicant also submitted amended plans for the development which have been assessed and are recommended for approval as detailed in the attached documentation.

The amended subdivision plans were subject to public consultation in accordance with the Lithgow Community Consultation Plan with the proposal placed on public exhibition for 21 days in December 2020 and surrounding landowners notified. The submissions received in response are summarised in the table below (and are addressed in the attached Planning Assessment Report).

| ISSUE RAISED | COMMENTS |
|--|--|
| <p>Loss of rural outlook, quiet amenity and privacy, development of “suburbia”</p> | <p>The subject land is zoned R5 Large Lot Residential and has a minimum allowable lot size of 2000m² under the LEP provisions. The proposed subdivision complies with the minimum lot size requirement and will facilitate low density residential development consistent with the objectives of the R5 zone. The visual outcome from the proposed development will be consistent with similar large lot residential development in the Lidsdale area, including the established adjoining residential properties on Maddox Lane and Ian Holt Drive. In relation to privacy, future dwellings on the proposed lots will be assessed having regard to the potential overlooking of surrounding properties.</p> |
| <p>Oppose urban development in Lidsdale</p> | <p>As stated above, the subject land is zoned for Large Lot Residential subdivision with a minimum lot size of 2000m². The proposed development complies with the minimum lot size requirement. The scale of the development is consistent with similar large lot residential development in the Lidsdale area and will comprise semi-rural, low-density urban development.</p> |
| <p>Impact on business operations on adjoining properties, trespassing by future residents, roaming dogs</p> | <p>In relation to the potential noise complaints, future purchasers of the proposed lots will need to undertake due diligence with regard to awareness of activities on surrounding land. Any complaints regarding excessive noise are regulated by the <i>NSW Protection of the Environment Operations Act 1997</i>. In relation to the concern regarding potential trespass by future residents, this is a social behaviour matter and not a particular consideration in the assessment of a development</p> |

| | |
|--|---|
| | <p>application. Control of domestic dogs is also a separate regulatory matter and not a particular consideration in the assessment of a development application. Given the proposed subdivision is consistent with the zoning of the land and complies with relevant development standards, it is considered an appropriate development of the land.</p> |
| <p>Potential contamination of soil and water by former adjoining uses</p> | <p>An assessment of the potential for contamination of the land has been carried out in accordance with statutory requirements and is addressed in this assessment report. Adequate remediation works have been undertaken and the proposed subdivision for residential purposes is considered an acceptable use of the site.</p> |
| <p>Impact on access to adjoining property</p> | <p>The proposed subdivision will not compromise existing property access and no authorisation will be provided in any approval to alter or restrict existing access. A condition of development consent is recommended to ensure existing access points to adjoining properties are not impacted by the proposed development.</p> |
| <p>Impact from potential flooding of Cox's River</p> | <p>It is not uncommon for sewer pump stations to be located in low-lying areas as the sewerage system operates by gravity to the lowest point. Proposed lot 2 is located above the sewer pump station and above the level of some existing dwellings in the vicinity. There will be adequate room on proposed lot 2 for a dwelling to be erected in a position that will not be affected by flooding. In relation to the proposed cul-de-sac head of Maddox Lane, detailed design work will need to be undertaken to demonstrate that the roadworks will comply with Council's Engineering Design requirements.</p> |
| <p>Impact on safety from increased traffic in Maddox Lane and what upgrades to Maddox Lane will be undertaken</p> | <p>The proposal results in an additional five lots with access from Maddox Lane. The applicant has agreed to undertake improvements to Maddox Lane along the property frontage and make a monetary contribution towards improvements on Maddox Lane between the subject land and Wolgan Road. The roadworks proposed include sealing of the road pavement, construction of a cul-de-sac head and upgrade of the table drain. Kerb and guttering and concrete footpaths are not proposed. The works will be required to be completed prior to the issue of a Subdivision Certificate.</p> |
| <p>Access to Maddox Lane (previous plans had no access from Maddox Lane)</p> | <p>A wide range of issues were raised with the applicant following consideration of the previous plans, including issues raised in public submissions. The applicant reviewed the proposal having regard all issues raised and submitted amended plans. The amended plans include five lots with direct access to Maddox</p> |

| | |
|--|---|
| | Lane. Residential properties having a primary frontage to Maddox Lane are considered more desirable from an urban amenity and rural residential character perspective than having rear boundaries along the lane. In the context of the site, this is considered relevant given the existing character of the locality resulting from the existing cottages and the existing residential property on the southern side of the lane. |
| <p>Lack of community recreation space, emergency access and nature strip (It has been submitted that some of the previous recommendations or suggestions have not been included in the amended plans)</p> | An applicant is not obliged to include all recommendations or suggestions for changes to their proposal before the application is determined. The applicant did give consideration to all matters raised and presented an amended plan to Council for further consideration. For the reasons outlined in this report, the proposed subdivision layout is considered appropriate in the circumstances. |

Policy Implications

Policy 1.2 Acquisition and Disposal of Assets

The development will result in the acquisition and/or development of assets including new roads, water and sewer infrastructure and stormwater management infrastructure. This aspect of the proposal has been assessed and is considered acceptable subject to consent conditions regulating the relevant approval process and construction of the assets to Council's specifications.

Lithgow Community Participation Plan

The Development Application was lodged prior to the endorsement of Council's Community Participation Plan 2019 and was notified under Council's previous notification policy (Policy No.7.5) that has now been repealed. The proposal was publicly exhibited for 21 days initially in September 2018. The plans for the proposal were later amended and the proposal was exhibited for a second time for 21 days in September 2019. The current plans subject to this assessment were subject to public exhibition for 21 days in December 2020. Submissions received are summarised above and are addressed in the attached Planning Assessment Report.

Policy 7.10 Voluntary Planning Agreements

A Voluntary Planning Agreement (VPA) has been negotiated with the developer in accordance with Section 7.4 of the *Environmental Planning & Assessment Act 1979* in relation to this proposal. The plan has been created as per the Policy and will be advertised appropriately for compliance.

The developer has agreed to make a contribution of \$3,000.00 per lot (total of \$99,000) to go towards community facilities and open space plus an additional \$5,000 per lot for lots 2 to 6 (total of \$25,000) to go towards roadworks on Maddox Lane between the subject land and Wolgan Road. These charges equate to the charges typically paid by developers for these types of developments.

Financial Implications

- Budget approved - N/A
- Cost centre - N/A
- Expended to date - N/A
- Future potential impact - the endorsement of a Voluntary Planning Agreement will assist Council to provide facilities which will be of benefit towards a public purpose (see above). The development will also be subject to water and sewer headworks charges under Council's

Development Servicing Plan for Water & Sewerage 2018. The payment of these charges will be required as part of the standard Subdivision Certificate process.

Legal and Risk Management Implications

In determining a development application, Council as the consent authority is required to take into consideration the matters of relevance under Section 4.15 of the Environmental Planning and Assessment Act 1979. These are addressed in the planning assessment report in Attachment 2.

The legislative basis for the Voluntary Planning Agreement is sections 7.4 - 7.10 of the *Environmental Planning and Assessment Act 1979* and clauses 25B – 25H of the *Environmental Planning and Assessment Regulation 2000*. The legislative provisions require that public notice of a proposed Voluntary Planning Agreement must be given for at least 28 days before it can be entered into.

The development is “integrated development” under the provisions of Section 4.46 of the *Environmental Planning and Assessment Act 1979* and requires approval by the Rural Fire Service (RFS) through the issue of a Bushfire Safety Authority under section 100B of the *Rural Fires Act 1997*. If development consent is granted to the proposal, any conditions imposed by the Rural Fire Service must be included in the consent.

The RFS granted conditional approval to the original submitted design for the subdivision was on 7 March 2019. The revised plan of subdivision has been referred to the Rural Fire Service for an updated approval. However, at the time of preparation of this report, due to technical difficulties, a revised approval has not been issued by the RFS. Following discussion with RFS officers, it is anticipated that a revised conditional approval for the proposal is forthcoming with conditions consistent with that previously issued on 7 March 2019.

Attachments

1. DA 196/18 - Plans of Subdivision [**10.1.1.3.1** - 5 pages]
2. DA 196/18 - Statement of Environmental Effects [**10.1.1.3.2** - 37 pages]
3. DA 196/18 - Planning Assessment Report [**10.1.1.3.3** - 53 pages]
4. DA 196/18 - Draft Voluntary Planning Agreement [**10.1.1.3.4** - 13 pages]

Recommendation

THAT

1. Development Application DA196/18 be APPROVED subject to conditions on the consent as shown in the attached Section 4.15 report.
2. Development consent be granted subject to approval conditions in any Bushfire Safety Authority issued by the NSW Rural Fire Service.
3. A DIVISION be called in accordance with the requirements of Section 375A(3) of the *Local Government Act, 1993*.
4. Council endorse the attached Draft Voluntary Planning Agreement proposed for DA196/18.
5. The Draft Voluntary Planning Agreement for DA196/18 be placed on public exhibition for a period of 28 days.

10.1.2. Economic Development & Environment General Reports

Prepared by Christian Matthews - Graduate Strategic Planner

Department Strategic Planning

Authorised by Director of Economic Development & Environment

Reference

Min No. 20-272 Ordinary Meeting of Council held on 23 November 2020

Min No. 20-235 Ordinary Meeting of Council held on 28 September 2020

Min No. 19-339 Ordinary Meeting of Council held on 25 November 2019

Summary

The purpose of this report is to seek the formal adoption of the Lithgow Community Participation Plan (CPP) 2020.

Commentary

Council resolved at its Ordinary Meeting of Council held on 23 November 2020 as follows:

1. Council endorse the Draft Lithgow Community Participation Plan 2020 (with proposed amendments) to be placed on public exhibition for 28 days in accordance with Schedule 1 of the EP&A Act 1979 and the Lithgow Community Participation Plan 2019.
2. Following the exhibition period, a final version of the Draft Lithgow Community Participation Plan 2020 be returned to Council for further consideration.

As per the adopted Lithgow Community Participation Plan 2019, a Draft CPP must be placed on exhibition for a minimum of twenty-eight days. The draft plan was placed on public exhibition for a period of fifty-two days in accordance with Section 3.5.3 of the Lithgow CPP 2019 which excludes the dates between the 20th December and 10th January being counted as part of the public exhibition period.

No submissions have been received by Council as of 2 February 2021, being the end of the public exhibition period. Therefore, only the necessary administrative amendments to the plan have been made. The final Lithgow Community Participation Plan 2020 is attached to this report for final consideration and adoption.

Policy Implications

The Lithgow Community Participation Plan 2020 will supersede the Lithgow Community Participation Plan 2019. The Lithgow Community Participation Plan 2019 will cease application upon the adoption of the Lithgow Community Participation Plan 2020.

Financial Implications

- Budget approved - N/A
- Cost centre - N/A
- Expended to date - N/A
- Future potential impact - N/A

Legal and Risk Management Implications

Council is required to fulfil the directions and actions of the CPP in full to be compliant with the Environmental Planning and Assessment Act 1979.

Attachments

1. Lithgow Community Participation Plan 2020 [10.1.2.1.1 - 23 pages]

Recommendation

THAT

1. Council repeals the Lithgow Community Participation Plan 2019 and adopts the Lithgow Community Participation Plan 2020 as attached to the business paper.
2. The Lithgow Community Participation Plan 2020 be uploaded to the Planning Portal and Council's website.

10.2. Infrastructure Services Reports

10.2.1. IS - 22/02/2021 - Water Subsidy Portland Pool

Prepared by Ross Gurney – Chief Financial & Information Officer

Department Infrastructure Services

Authorised by Chief Financial & Information Officer

Summary

The purpose of this report is to inform Council of actions that have been taken to assist the Portland and District Pool Association in relation to water usage and associated costs at Portland Pool. The report recommends that Council increase its financial assistance to Portland Pool in the draft 2021/22 budget and that Council set a CPI increase to the financial assistance amount for subsequent years.

Commentary

Council management has been working with the Portland and District Pool Association (the Association) in recent months after the Association contacted Council following the receipt of a water usage account that recognised a high usage. The Director, Water & Wastewater, reviewed the water usage account and no issues were identified with the meter readings.

To assist the Association, Council staff have taken the following actions:

- Installed a smart water meter and provided the Association with portal access to regularly review water usage;
- Appointed Council's Building and Recreation Facilities Manager as a liaison person between the Association and Council to smooth and co-ordinate dialogue on any issues which may arise;
- Reviewed the level of annual financial assistance provided to the Association;
- Proceeded with a review of water usage charges for community / charitable organisations which use large volumes of water (action nearing completion as part of the 2021/22 budget preparations);
- Conducted thorough testing of the water meter servicing Portland Pool to corroborate that the water usage charged reflects the amount which had passed through the meter; and
- Undertaken site inspections, reviewed historical records of water usage and considered any other factors (e.g. loss through evaporation) to determine if there may be any apparent issues contributing to the water usage identified through the meter.

The provision of a smart meter for this facility allows the operators to monitor water usage and to modify practices where possible when high usage is occurring. It appears that there have already been some gains from this action. As noted above, other actions are ongoing to ensure that water pricing is at the right level for these types of facilities. Meanwhile, there is a case for reviewing the level of financial assistance that the Association receives. In 2017/18, Council increased the amount of financial assistance to Portland Pool from \$30,000 p.a. to \$35,000 p.a. That decision did not include any escalation for CPI so the effective level of assistance does diminish over time.

An increase in the amount of financial assistance to Portland Pool from \$35,000 p.a. to \$40,000 p.a. from the 2021/22 year would allow for CPI increases of the prior four years. A CPI increase could be added to the financial assistance amount for subsequent years to ensure that Council's contribution to the pool's operating costs keeps pace with annual inflation.

Policy Implications

Nil.

Financial Implications

- Budget approved - \$35,000.
- Cost centre - PJ 800158 Donations & Contributions.
- Expended to date - Nil.
- Future potential impact - any increase in the future amount of financial assistance for Portland Pool will need to be offset by budget savings or service reductions elsewhere in Council's operations.

Legal and Risk Management Implications

Council provides financial assistance to not-for-profit community groups and organisations under Section 356 of Local Government Act, 1993.

Attachments

Nil

Recommendation

THAT Council:

1. Note the information provided on action recently taken to assist the Portland and District Pool Association in relation to water usage and associated costs at Portland Pool.
2. Endorse an increase in the amount of financial assistance to Portland Pool from \$35,000 p.a. to \$40,000 p.a. for inclusion in the draft 2021/22 budget and that a CPI increase be added for the draft budget financial assistance amount in subsequent years.

10.2.2. IS - 22/02/2021 - Cleaning Contract Review

Prepared by Jonathon Edgecombe - Director of Infrastructure & Services

Department Infrastructure & Services

Authorised by Director of Infrastructure & Services

Reference

Min. No.: 15-317 – Ordinary Meeting of Council held 16 November 2015

Summary

This report aims to present a balanced review of the operational and financial merits of internal provision of cleaning services within the Lithgow local government area, compared with the existing external service model.

For ease of understanding, the commentary is presented in the following order:

1. Brief History
2. Annual Contract Costs to Date
3. Contract Review
4. Recurrent Cost of In-House Service Provision
 - a. Employment
 - b. Fleet
 - c. Consumables
 - d. Total Costs
5. Expected Timeframes
6. Concluding Recommendations

A recommendation is presented upon conclusion of the commentary, for Council’s consideration.

Commentary

1. Brief History

In 2015, Lithgow City Council considered the possibility of engaging contract labour to provide cleaning services to public facilities and amenities throughout the LGA. With a schedule of facilities, Council went through an open tender process and engaged SKG cleaning contractors to service the Council owned facilities & amenities. This tender process and subsequent report to Council provided a list of assets which require servicing, the expected frequency of cleaning, and a schedule of rates for any additional requirements. It is also worth noting that the tender assessment panel also conducted reference checks for SKG which highlighted some concerns regarding service quality and inaccurate initial tender pricing at that time. One can only conclude that the presumption was that these risks could be managed.

As a summary of the results of this process, please note the following submitted rates (referred to Council on 16 November 2015).

| | Total Annual Cost | Hourly Rate 7am – 5pm | Hourly Rate 5:01am – 6:59pm | Hourly Rate Saturday | Hourly Rate Sunday | Hourly Rate Public Holiday |
|----------------|--------------------------|------------------------------|------------------------------------|-----------------------------|---------------------------|-----------------------------------|
| SKG | \$311,815.90 | \$36.30 | \$36.30 | \$38.50 | \$38.50 | \$44.00 |
| Council | \$620,872.17 | \$61.01 | \$82.11 | \$82.11 | \$103.20 | \$124.30 |

From this information, Council resolved to enter into a 5-year contract with SKG to provide cleaning services within the Lithgow LGA (Min. No. 15-317). The contract began on 4 January 2015 and expired at midnight on 3 January 2021. SKG continue to service Lithgow LGA on a month-to-month basis.

A broad list of facilities serviced in this schedule are as follows:

- Council Administration & Office Buildings;
- Libraries;
- Visitors Information Centre;
- Public Toilets, Bus Shelters, Portland & Wallerawang CBD Footpaths;
- Public Halls;
- Depots;
- Miscellaneous Buildings; and
- Capertee & Glen Davis Public Toilets & Reserve Grounds maintenance.

A full list of serviced facilities is included as Attachment A.

2. Annual Contract Costs to Date

From the first full financial year the contract was in effect, the following payments have been made to SKG.

| Financial Year | Payment to Contractor | Difference with Contract Price |
|-------------------------------|-----------------------|--------------------------------|
| <i>Initial Contract Price</i> | \$311,815.90 | |
| 2016/2017 | \$307,893.25 | -\$3,922.65 |
| 2017/2018 | \$405,621.50 | +\$93,805.60 |
| 2018/2019 | \$412,719.82 | +\$100,903.92 |
| 2019/2020 | \$392,981.04 | +\$81,165.14 |

It should be acknowledged that there have been changes in usage patterns of some of the infrastructure captured by this contract during the contract term. Use of facilities such as Lake Wallace and Glen Davis campground have intensified and across the city more visitation has been experienced in a general sense. This, as well as complexities of managing the fine grain of the works, has resulted in some community concerns and complaints. There have been increased administrative costs which are not captured by the contract costs paid to SKG. It is estimated that the following time is required of the Council administration, weekly.

- Director Infrastructure Services: 2 hours
- Building and Recreation Facilities Manager: 3 hours
- Buildings Overseer: 3 hours

This attracts an estimated additional cost of \$43,854.72 per year.

Hence, over the most recent three years of contract costs paid to SKG and adding the administrative costs each year, the average total yearly cost of this contracted service is **\$447,628.84**.

3. Contract Review

As noted, Lithgow City Council tested the market in 2015 to compare the costs of internal cleaning services with contract labour arrangements. A review of tender pricing has found that the extent of the required specifications was not fully realised by either Council or SKG. This has resulted in significant variations from the original tender submission.

During the contract term, many service complaints have been received from the public. To date, Council has received 272 complaints by phone. Additional to this, many Councillors receive comments and complaints that are verbally communicated to the Administration.

While it is acknowledged that SKG perform well in many instances, it is acknowledged that Council is not meeting its service expectations in this area. This could be the result of the following combination of reasons:

- Poor contract specification, lacking flexibility and requisite inclusions to cater to changing demands and usage patterns.
- Poor contract administration, either due to lack of available Council staff to actively pursue regular audits or a lack of quality assurance protocols employed by the Contractor.
- Poor contractor performance; and
- Unanticipated abuse of facilities, unexpected high usage or otherwise changes to the use of local public facilities.

Considering the service issues, Council has anticipated a review of the current contract promptly upon its end date. It is understood that the Council wishes to compare the merits of contracted service provision with internal labour arrangements.

4. Recurrent Cost of In-House Service Provision

a. Employment

Prior to contracting this service, Lithgow City Council employed one Cleaning Supervisor, two full-time cleansing unit staff and two labour hire employees on a casual basis. The cleansing unit required a small truck (with provisions for hot water and pressure cleaning) and three utility vehicles for daily travel requirements.

Hence, to accommodate the necessary provision of service, the following staff would be required:

- 1x Team Leader (Grade 5, permanent full-time)
 - Oversee all operations, field enquiries and provide after-hours call-out services
- 1x Hygiene Truck Operator (Grade 3, permanent full-time)
 - Toilet block and sporting field amenities, bus shelters, relief for Team Leader)
- 2x Cleaner - Internal (Grade 2, permanent part-time at 25 hours per week)
 - Council Administration Building, Depots, Visitors Information Centre and Libraries
- 2x Cleaner - External (Grade 1, permanent part-time at 25 hours per week)
 - Community halls, public toilets, canteens, change rooms, RFS buildings.

Hence, expected employment costs are as follows.

| Position | Number of Positions | Yearly Cost (inc. on-costs) |
|------------------------|---------------------|-----------------------------|
| Team Leader | 1 | \$85,930.70 |
| Hygiene Truck Operator | 1 | \$80,854.76 |
| Cleaner (Internal) | 2 (part-time) | \$99,100.56 |
| Cleaner (External) | 2 (part-time) | \$97,276.40 |
| Total | 4.63 FTE | \$363,162.42 |

Additional to the above requirements, it is reasonable to expect that while most large events (Australia Day, Christmas, New Year’s Day etc.) can be planned and scheduled, an overtime component of 10% is a reasonable assumption. This increases the total yearly employment costs to **\$399,478.65**.

There would also be employment costs related to the time spent by senior staff (Director, Manager, and Overseer) in staff administration. These costs would be far less than that which Council currently

absorbs, but still warrants attention. It is estimated this would add \$5,000 to the cost of employment for this option. This brings the total yearly employment costs to **\$404,478.65**.

There are also costs associated with recruitment and on-boarding new staff, which may recur depending on staff turnover.

b. Fleet Operating Costs

Outright Purchase

With the expectation that Council will be operating one Hygiene Truck for 38 hours per week (plus 10% overtime) and three utility vehicles (one for the Team Leader and the other two for the Internal and External Cleansing Units), the following fleet costs are expected.

| Vehicle | Number of Vehicles | Hourly Rate | Hours per week (incl. Overtime) | Yearly Cost |
|-----------------|--------------------|----------------|---------------------------------|--------------------|
| Hygiene Truck | 1 | \$13.37 | 41.8 | \$29,061.03 |
| Utility Vehicle | 3 | \$13.37 | 82.5 | \$57,357.30 |
| Total | 4 | \$26.74 | 124.5 | \$86,418.33 |

However, additional to the recurrent yearly costs identified above, consideration also needs to be given to the capital costs of purchasing a new fleet of vehicles to provide this service. Quotes have been sought for outright purchase, with details as follows. Vehicle / equipment purchases would need to be funded from Council's currently depleted internally restricted reserves.

| Vehicle / Equipment | Purchase Cost |
|---|---------------------|
| Hygiene truck | \$55,336 |
| Utility vehicle (x3) | \$118,785.90 |
| Small plant and equipment (scrubbers, etc.) | \$60,000 |
| Fitout costs | \$21,114.00 |
| Total | \$255,235.90 |

Vehicle Leasing

Rather than purchase these items outright, Council may choose to lease each item to mitigate the substantial initial outlay. Such a process would be similar to that which Council undertook to procure the necessary fleet and machinery to operate the Lithgow Solid Waste Facility. The expected costs of a fleet leasing arrangement are as follows.

| Vehicle / Equipment | Yearly Lease Cost | Operating Costs | Total |
|------------------------------|--------------------|--------------------|--------------------|
| Hygiene truck (excl. Fitout) | \$15,999.99 | \$18,744.00 | \$34,743.99 |
| Utility vehicle (x3) | \$31,880.16 | \$30,177.00 | \$62,057.16 |
| Total | \$47,880.15 | \$48,921.00 | \$96,807.15 |

If Council is of a mind to bring this service in-house, it is suggested that it pursue vehicle leases rather than outright purchases due to the impact of upfront purchase costs on Council's depleted internally restricted reserves.

c. Consumables

This aspect of operation is difficult to quantify as no historical data exists. Hence, for consistency, a value of \$5,500 per employee is conservatively estimated in line with that estimated in 2015. Hence, consumables costs equate to an estimated **\$33,000**.

d. Total Costs

Combining the costs calculated above, the following yearly costs can be expected.

| Service Component | Yearly Cost |
|-------------------|---------------------|
| Employment | \$404,478.65 |
| Fleet | \$96,807.15 |
| Consumables | \$33,000.00 |
| Total | \$534,285.80 |

5. Expected Timeframes

Should Council resolve to return cleaning services to in-house provision, the following timeframes can be expected:

| | |
|-------------------|------------|
| Recruitment | 2.5 months |
| Fleet procurement | 3 months |

From this, it is expected that if recruitment commenced on 01 March 2021, the process would not be complete until June 2021. Therefore, we would aim to commence all staff and this new in-house service on 01 July (start of new financial year) to simplify the budget management processes as well as the administrative side of recruitment and other HR requirements. Until 01 July, Council will continue the current month-to-month contract with the existing service provider.

6. Concluding Recommendations

From the analysis presented above, it is noted that the current yearly costs of contracted cleaning services are **\$447,628.84** and the estimated yearly costs of in-house service provision will be **\$534,285.80**, a yearly difference of **\$86,656**.

It is acknowledged that there are ongoing concerns regarding the level of service offered under the current contract. Providing this service in-house is expected to result in increased service and reduced administrative burden. With Council's focus on tourism, increased visitation to local recreational assets and the ongoing focus on the cleanliness of Council facilities, moving to in-house service provision is recommended.

However, it should also be understood that in-house service provision will not catch and resolve all service-related concerns in this area. While there will be increased flexibility associated with increased control of service delivery, wilful damage and other unanticipated usage patterns or unexpected events will continue to result in some community feedback. It is not possible or reasonable to expect Council will meet the expectations of the community in every instance.

Lastly, as the Council are aware, budget planning for 2021/22 has already seen the administration propose a range of strategies to increase income and reduce expenditure to mitigate the impacts of cost pressures, reduced investment income and lower cash inflows.

Hence, as this service does not generate income, the additional costs of providing this service in-house **must be offset through a reduction of services elsewhere**. Cumulatively, Council will need to reduce services to absorb this increased cost of \$86,656.96 per year. This may mean a reduction in contract cleaning services in the future, or less mowing, less road maintenance, reduced library and aquatic centre opening hours or a reduction in administrative staff, for example.

With this understanding and approach Council could:

1. Exit the month-to-month contract with SKG and adopt to provide this service using internal labour. This option will require a cumulative \$86,656 initial reduction in service elsewhere to fund the increase.
2. Meanwhile, continue with the month-to-month contract with SKG until 01 July 2021 to facilitate recruitment and fleet purchase requirements.

If Council supports this approach the administration will promptly commence personnel recruitment, leasing of necessary equipment and development of options for the necessary service reductions to accommodate this increased cost in 2021/22. As noted above, this new service could commence 01 July 2021.

Policy Implications

Nil.

Financial Implications

- Budget approved - \$370,791
- Cost centre - 61127 & 63045
- Expended to date - \$191,253
- Future potential impact – Expected cost increase of \$86,656 per year should in-house service provision be adopted. The additional cost will need to be offset by cost savings which will impact service standards.

Legal and Risk Management Implications

Nil

Attachments

1. Attach 1 Asset Schedule [10.2.2.1 - 2 pages]

Recommendation

THAT Council

1. Maintain the existing contract with SKG Cleaning Services on a month-to-month basis to allow sufficient time for recruitment and fleet lease arrangements, and
2. Immediately commence necessary recruitment and fleet procurement as per the requirements outlined in the above report.
3. Develop options for necessary service reductions to accommodate the estimated increased cost of \$86,656 from the 2021/22 year.

10.3. Water and Wastewater Reports

10.3.1. WWW - 22/02/2021 - Development Servicing Plan (Section 64) Charges

Prepared by Daniel Buckens - Director of Water & Wastewater

Department Water & Wastewater

Authorised by Director of Water & Wastewater

Reference

Minutes of the Extra Ordinary Meeting of Council 18 January 2021 – Business of Great Urgency.

Summary

This report provides information in relation to Development Servicing Plan Charges, also referred to as Headworks or Section 64 Charges, as requested at the Extra Ordinary Meeting of Council held on 18 January 2021.

Commentary

Water supply, sewerage and stormwater developer charges are up-front charges levied by urban water utilities to recover part of the infrastructure costs incurred in servicing new developments or additions/changes to existing developments. To encourage fair pricing for water supply and sewerage services, NSW local water utilities (LWUs) are required to prepare Development Servicing Plans (DSPs) and levy developer charges in accordance with the Developer Charges Guidelines for Water Supply, Sewerage and Stormwater 2016. However, utilities with low growth (under 5 lots/a) are eligible for exemption from preparing a DSP. A utility with such low growth may request exemption from Department of Planning, Industry and Environment (DPIE).

The power for local government Councils to levy developer charges for water supply, sewerage and stormwater derives from Section 64 of the *Local Government Act 1993* by means of a cross-reference in that Act to Section 306 of the *Water Management Act 2000*.

Developer charges serve three related functions. Firstly, they provide a source of funding for infrastructure required for new urban developments. Secondly, developer charges provide an indication of the cost of urban development and thus encourage less costly forms and localities of development. Thirdly they are an integral part of the fair pricing of water related services. Fair pricing provides full cost recovery, a commercial return on efficient costs, and strong, cost-reflective pricing signals to encourage efficient use of the services and to minimise any cross-subsidies. Fair pricing of services is a key consideration in the NSW Best-Practice Management of Water Supply and Sewerage Framework. Fair pricing also ensures financial sustainability and intergenerational equity is achieved as required by Section 8B – Principles of Sound Financial Management of the *Local Government Act 1993*.

The developer charges calculation is based on the net present value (NPV) approach. The fundamental principle of the NPV approach is that the investment in assets for serving a development area is fully recovered from the development. The investment is recovered through up-front charges (i.e. developer charges) and the present value (PV) of the annual amounts to be paid by the development in excess of operation, maintenance, and administration (OMA) costs. The developer charge per equivalent tenement (ET – defined as a detached residential dwelling) is calculated as the PV of the capital expenditures over time required to service the development area (the "capital charge") less the PV of the expected net income over time from providing services to the development area (the "reduction amount").

| | | | | |
|------------------|---|---|---|--|
| Developer Charge | = | Capital Charge (cost of asset provision) | - | Reduction Amount (net income from annual bills) |
|------------------|---|---|---|--|

The calculated developer charges are the maximum value that may be levied by a utility. In adopting a DSP for water supply, sewerage or stormwater, the utility may elect to levy less than the calculated amounts.

If a utility elects to levy less than the calculated developer charges, then the resulting cross-subsidy (increased charges) for all the existing customers in the typical residential bill must be calculated and disclosed in the relevant DSP, in the utility's Annual Report, annual Operational Plan and in communication materials for consultation with stakeholders. The impact of cross-subsidies for new development on the typical residential bill must also be prominently disclosed and explained on the utility's website and reported to DPIE.

In accordance with the Developer Charges Guidelines for Water Supply, Sewerage and Stormwater 2016, if the developer charges adopted in a DSP are significantly greater than those presently levied, the higher charges may be phased-in over a 3-year period. Although such phasing-in is permitted, it is not encouraged.

In addition, the utility may elect to cap the developer charges for small villages to maintain affordability and to avoid 'stranded' assets in such villages. LWUs may also cap other developer charges to maintain affordability, subject to adopting a developer charge which recovers a considerable proportion of the capital cost of the infrastructure. The cross-subsidy, resulting from capping of developer charges must be disclosed as noted previously.

In summary, if a Council elects to vary the charges as adopted, there would need to be a recalculation of the developer charge and the level of subsidy provided. The amount of the subsidy would then be added to the water and sewer charges annual charges increasing the rates paid by every residential ratepayer connected to water and sewer.

In developing a DSP, LWUs are required to have all DSP documents independently reviewed by an auditor approved by DPIE before public exhibition of the DSP documents. A check list for key matters to be addressed by each LWU in the preparation of its DSP documents is attached for reference. The auditor's report must confirm that the utility has addressed the matters in the check list.

The DSP is then presented to Council for review and comment. Should Council wish to alter the charges as presented, then the DSP is amended, the cross-subsidy amount calculated and again presented to Council. When the Council is satisfied with charges and cross-subsidy (should a Council resolve to cross-subsidise developers), the Draft DSP is placed on public exhibition for a period of no less than 30 working days.

The outcomes of the community consultation are presented to Council for resolution to adopt the charges as presented to the community or conduct a further review. Should a further review be required the process commences once again.

Once Council has resolved the adoption of the DSP it is then required to be registered with DPIE.

Until 2018, Council had not adopted a Development Servicing Plan/s. Prior to the adoption of the DSP, Council had levied Headworks Charges. Headworks Charges in 2017/18 were:

- Water - \$3,105.
- South Bowenfels Water - \$1552.50.
- Sewer - \$2,587.50.
- South Bowenfels Sewer - \$1,759.50.

The 2017/18 charges were not based on the aforementioned calculation methodology and were not considered adequate to recover the cost of servicing new development. Subsequently, every residential rate payer had been subsidising development. These subsidies have now been removed, noting that Council has adopted a subsidy toward development in Wallerawang of \$2 for each account annually (a subsidy of about \$16 000 annually for developers within that area).

In 2004, the Water and Sewerage Strategic Business Plan noted that Council did not have a DSP and that this was due for completion and adoption in 2004/05. The financial modelling indicated that Council should adopt a charge of \$7,333 for Water and \$7,318 for Sewer.

In 2014, a review of the Water and Sewerage Strategic Business Plan was undertaken, and it was again recommended that Council adopt a DSP and determine the appropriate DSP Charges. It was noted that there was, at the time, insufficient revenue being generated from DSP Charges and subsequently there had been increases to the Typical Residential Bill to subsidise development.

In 2017/2018, Council drafted, reviewed, conducted the external audit, consulted and exhibited the DSP in accordance with the Developer Charges Guidelines for Water Supply, Sewerage and Stormwater (2016) and the process outlined above. In August 2018, Council resolved to adopt the DSP. The DSP was subsequently approved and registered by DPIE.

There has been much discussion regarding comparison with other LWU's and how Lithgow City Council compares. It is not valid however to make this comparison as the calculated charges are based on the infrastructure that is required to service development in a particular area. This is reflected in the differing prices within this Local Government Area (LGA). It is also important to consider the level of subsidy provided when making such a comparison as some LWU's have increased the Typical Residential Bill by over \$60 p.a. to reduce DSP Charges.

When making comparisons, it should not be made on the Water or Sewer in isolation. Where a LWU has adopted both a Water and a Sewer Charge the combined total of both charges should be considered as this reflects the full cost to the developer.

As requested, the attachment shows the current Water and Sewer DSP Charges for all LWU's in NSW per Equivalent Tenement.

It is regularly cited that DSP Charges are a limiting factor to development proceeding. But this Council's previous practice of requiring developers to design and construct the infrastructure required to service their development was also prohibitive. It also led to residential developments only servicing the lots created with little to no strategic planning and as a result Council has taken over additional infrastructure with service limited to the extent that no other development can be serviced using the infrastructure.

With the adoption of the DSP, Council can now take a strategic approach to servicing a whole area and subsequently undertake the design and construction of all trunk infrastructure in the case of a subdivision (noting that developers are still required to construct the reticulation networks). Council funds the construction of these works from the DSP Charges and recovers the cost as development occurs.

Should Council not receive these DSP Charges toward future upgrade and amplification of services there may be a need to halt development from occurring until the necessary infrastructure has been provided or alternative funding can be secured (a developer or government upfront the cost). It is anticipated that this would see land sterilised and held back from being developed.

Policy Implications

This report overviews how DSP Charges are established and the regulatory, pricing and equity guidelines and principles embodied in this process. There has been some commentary that the DSP Charges responsibly determined by Council in accordance with these guidelines and principles

should be reviewed so as to reduce the costs to some parties. Should Council resolve to amend the DSP Charges, the adopted DSP will need review and auditing in accordance with the procedures in the Developer Charges Guidelines for Water Supply, Sewerage and Stormwater 2016.

Financial Implications

The financial implications have been outlined above. In summary, the person who receives the benefit should contribute toward the costs associated with providing the increased infrastructure to support the development. If DSP charges are not passed on to developers in accordance with the calculated charges, then every ratepayer connected to water and/or sewer will be required to pay increased charges, as a subsidy, to cover any reduction in the calculated charges.

If Council resolved to reduce or remove or subsidise the DSP charges, Council would inevitably become financially unsustainable if it sought to become the alternate funder. Alternatively, many developments could not proceed, as the developers would be required to fund the full cost of servicing their developments.

Legal and Risk Management Implications

As stated in this report.

Attachments

1. DSP Section 64 Water Sewerage Comparison [**10.3.1.1** - 10 pages]

Recommendation

THAT Council

1. Receive and note the report on how Development Servicing Plans are determined and enacted, how contribution amounts are calculated and the options available regarding subsidising development and the “phasing-in” options available.
2. Maintain the current charges in the Development Servicing Plan adopted in August 2018.

10.3.2. WWW - 22/02/2021 - Water and Waste Water Report

Prepared by Daniel Buckens - Director of Water & Wastewater

Department Water and Wastewater

Authorised by Director of Water & Wastewater

Reference

Min No 20-247 Ordinary Meeting of Council 26 October 2020.

Summary

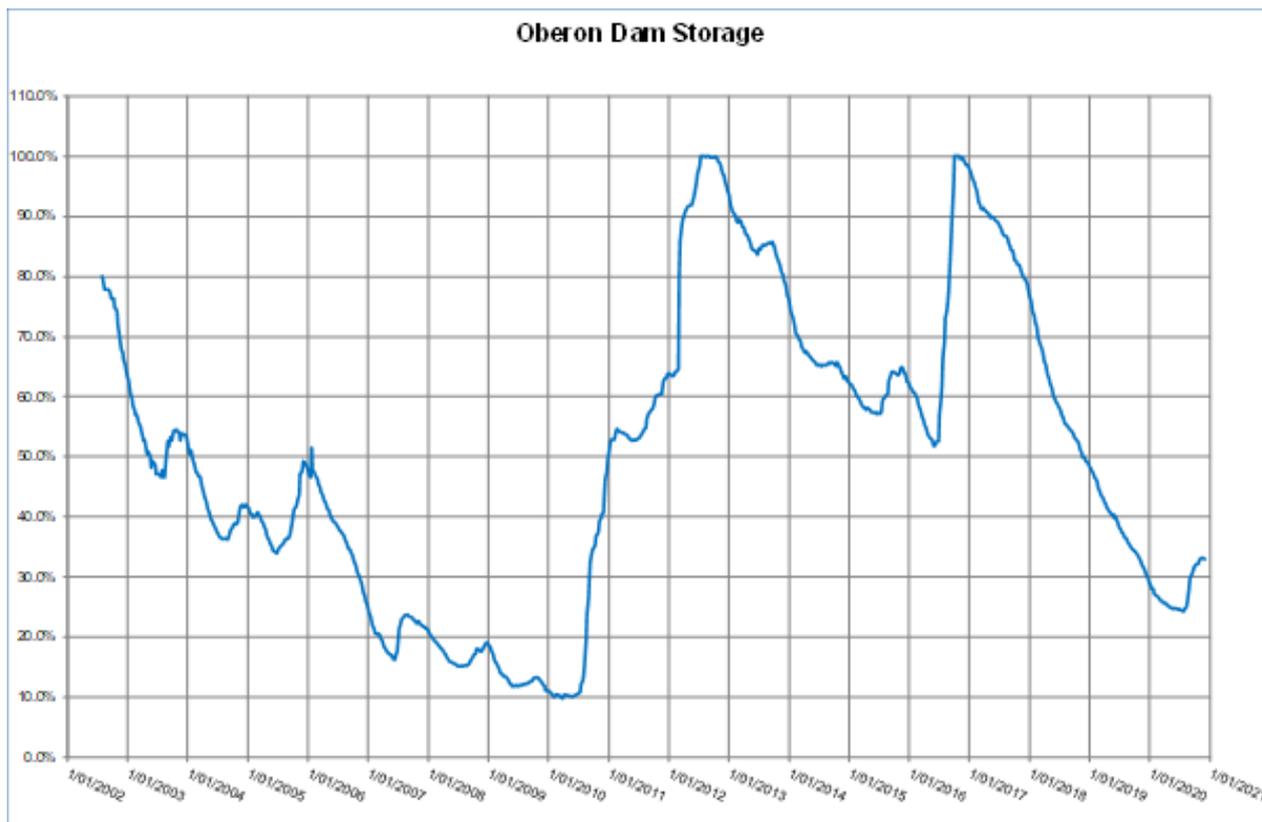
This report provides an update on various water and wastewater management matters.

Commentary

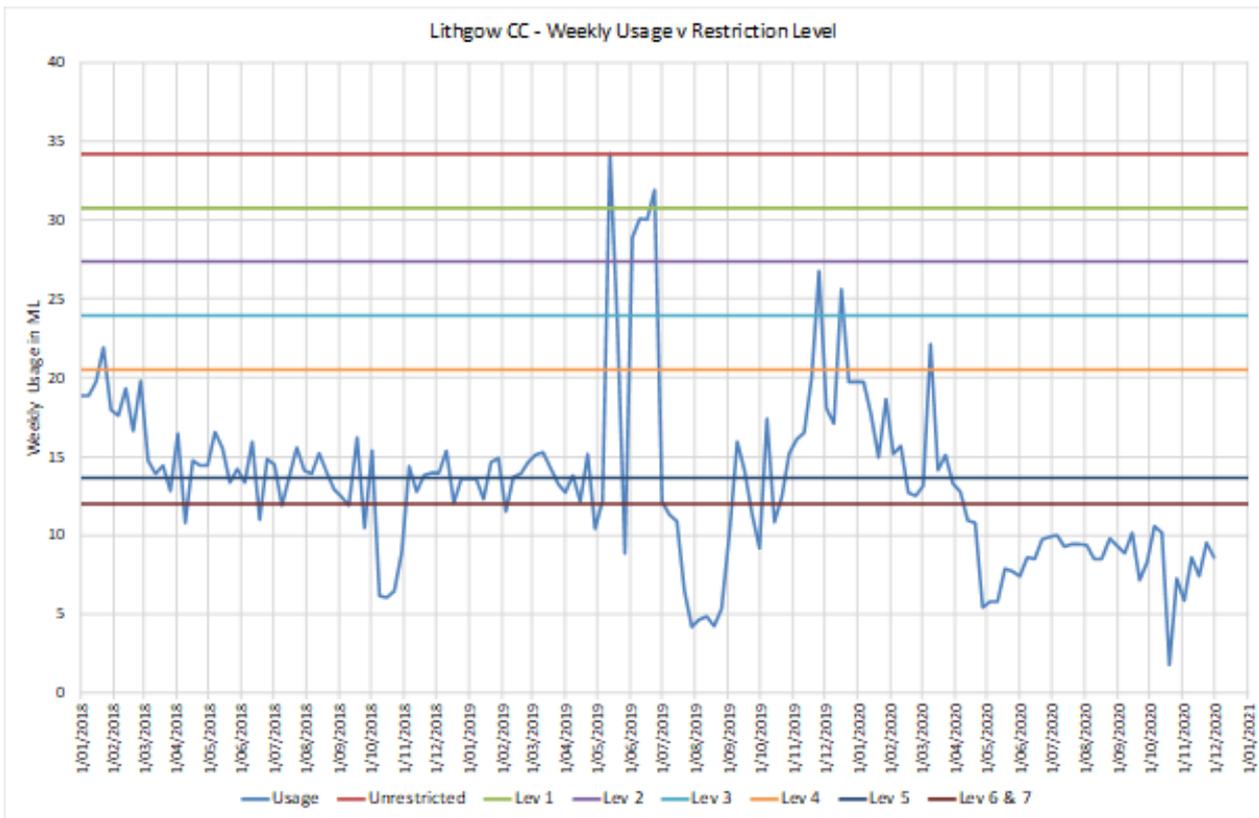
Current Dam Levels for Farmers Creek No.2 Dam and Oberon Dam

Farmers Creek No.2 Dam has a capacity of 450ML. Storage volume on Friday 5th February 2021 was 94.83%. Clarence Transfer System remains shut down.

Oberon Dam has a capacity of 45000ML. Storage volume on Monday 8th February 2021 was 32.2%. Total volume banked is currently approx. 6.6%, so storage adjusted for bank is 25.6%.



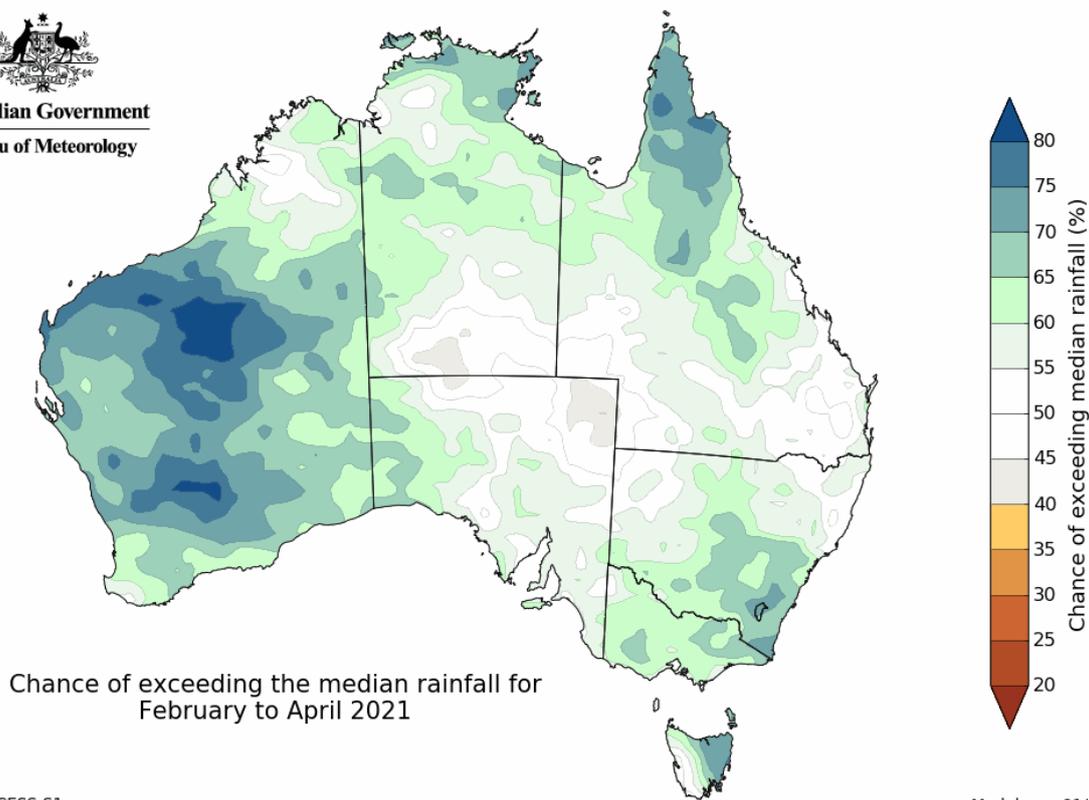
Level 2 restrictions on the FRWS are now in effect. If the adjusted storage falls below 25%, the scheme will move to Level 3 Restricted Allocations for water accounting calculations. As can be seen in the below Usage v Restriction Level graph, the current demands of the Council are on average lower than the current restriction level where Council exceeds the weekly usage allocation, Council’s banked water is reduced. Banked water is not subject to restrictions. This means that Council is managing water demand in accordance with the FRWS Drought Management Strategy.



Climatic and Rainfall Outlook

The following climatic and rainfall outlook is taken from the Bureau of Meteorology website.

- February rainfall is likely to be above average in much of the southern two-thirds of Western Australia, north-east Queensland, and parts of south-east Australia, but drier than usual from the Top End to southern South Australia.
- February to April rainfall is likely to be close to or above average for much of Australia. Highest chance of above average rainfall likely in Western Australia, across north-eastern tropics and parts of south-east Australia.
- Maximum temperatures for February to April are likely to be above average for most parts of Australia's coastline, Queensland, and across Tasmania, and below average from north-west to south-east Western Australia.
- Minimum temperatures for February to April are very likely to be above average across most of Australia, and close to average in south-east Western Australia and western South Australia.
- La Niña is underway in the tropical Pacific. While the event is likely past its peak strength, it is still expected to influence Australia's rainfall during this outlook period. La Niña typically increases the likelihood of above average rainfall across eastern and northern Australia during summer and early autumn months.



Chance of exceeding the median rainfall for February to April 2021

Model: ACCESS-S1
Base period: 1990-2012

Model run: 01/02/2021
Issued: 04/02/2021

Current Water Usage from Each Supply

Table 1 below indicates total output from the Oakey Park Water Treatment Plant (consumption), the volume transferred from the Clarence Water Transfer System (CWTS) and the volume of water purchased from Water NSW (Fish River Scheme) for 2017/18, 2018/19, 2019/20, and a cumulative total by month for 2020/21.

| | | | |
|-----------------------------|----------------------------|-------------------------------|-------------------------------|
| Total for 2017/18 | 1,388.1 | 760.2 | 810.4 |
| Total for 2018/19 | 1,318.6 | 318.7 | 762.4 |
| Total for 2019/20 | 1,369.4 | 572.3 | 734.6 |
| Licence Limit (ML/a) | 1,500 | 1,293 | 1,778 |
| Month | Oakey Park WTP (ML) | Clarence Transfer (ML) | Fish River Supply (ML) |
| July | 157.514 | 0.00 | 38.239 |
| August | 149.575 | 0.00 | 45.525 |
| September | 132.343 | 0.00 | 34.506 |
| October | 157.151 | 0.00 | -* |
| November | 164.126 | 0.00 | -* |
| December | 155.374 | 0.00 | -* |
| January | 144.090 | 0.00 | -* |
| February | | | |
| March | | | |
| April | | | |
| May | | | |
| June | | | |
| TOTAL | 1,060.173 | 0.00 | 118.27 |

*Data has not been received from WaterNSW.

The information contained in the above chart indicates that Council will likely exceed the Water Access Licence volume on the Farmers Creek Dam/OPWTP of 1500ML/a. The Water Access Licence provides the following condition/s;

From 1 July 2012, the total volume of water taken in any three (3) consecutive water years under this access licence must not exceed a volume which is equal to the lesser of either:

A. the sum of:

- i. water in the account from the available water determinations in those 3 consecutive water years, plus*
- ii. water in the account carried over from the water year prior to those 3 consecutive water years, plus*
- iii. any net amount of water assigned to or from this account under a water allocation assignment in those 3 consecutive water years, plus*
- iv. any water re-credited by the Minister to the account in those 3 consecutive water years,*

or

B. the sum of:

- i. the share component of this licence at the beginning of the first year in those 3 consecutive water years, plus*
- ii. the share component of this licence at the beginning of the second year in those 3 consecutive water years, plus*
- iii. the share component of this licence at the beginning of the third year in those 3 consecutive water years, plus*
- iv. any net amount of water assigned to or from this account under a water allocation assignment in those 3 consecutive water years, plus*
- v. any water re-credited by the Minister to the account in those 3 consecutive water years.*

In simple, water extraction is calculated on a 3-year rolling average.

This is important for future resource planning to ensure Council complies with the conditions of the Water Access Licence.

System Configuration

OPWTP supply is now feeding Lithgow and the Villages. This commenced Thursday 4th February to improve the water quality issues being experienced in the Villages. Feedback to date has been positive with the comments indicating an improvement.

Clarence Water Transfer Scheme

Clarence Transfer System was shut down on 9th February 2020 due to the level of the dam and remains off.

Oakey Park Water Quality Summary

There were no exceedances of the health guideline values of the Australian Drinking Water Guidelines (ADWG) for October, November, December 2020, and January 2021.

During the period, 15 October 2020 to 10 February 2021, there were five reports of dirty water from water supplied from the OPWTP, these occurred in the following areas:

- Stewart Street 16/10/20
- Robinia Drive 20/10/20
- Col Drewe Drive 20/10/20
- Fourth Street 20/10/20
- Shaft Street 20/10/20
- Lilac Place 20/01/21
- Inch Street 28/01/21

Treatment Plant Monitoring Results

Samples are taken on a monthly basis at various locations within the Sewage Treatment Plants and Water Treatment Plant, in accordance with the Environment Protection Licence requirements. Two

exceedances were recorded for November 2020. Lithgow Sewerage Treatment Plant recorded an exceedance of the Environment Protection Licence Limit for Ammonia. The Licence limit is 5.00mg/L the exceedance result was 5.08mg/L. Wallerawang STP recorded an exceedance of the Environment Protection Licence Limit for Total Phosphorus. The Licence limit is 1.0mg/L the exceedance result was of 1.160mg/L.

There were two exceedances of the 100th percentile limits recorded at Lithgow STP for the month of January for Faecal Coliforms and Biological Oxygen Demand (BOD).

The Licence limit for Faecal Coliforms is 600 colony forming units per 100 millilitres (cfu) the exceedance result was 6800 cfu. This failure was a result of contractor undertaking works on the site damaging a cable to the UV system. The cable was repaired immediately but the operation of UV was not reset. Staff identified and rectified the issue the day the samples were collected. The NSW EPA was advised of the damaged cable and likely exceedance. A report is currently being prepared for the NSW EPA.

The Licence limit for BOD is 15, exceedance result was 15. Noting a result equal to the licence limits is consider a non-compliance.

The Lithgow STP has now exceeded the 90th percentile limits for Total Suspended Solids, Nitrogen (Ammonia) and Total Phosphorus. Any further exceedances of the 90th percentile limits will result in a non-compliance. Staff have reviewed the process controls and adjustments made to improve the plants performance.

There were no exceedances at the Sewerage Treatment Plants and Water Treatment Plant for October and December 2020.

Fish River Water Scheme Water Quality Summary

There has been a significant number of complaints regarding the water quality from the FRWS. These firstly occurred due to the water main break at Sodwalls that caused widespread interruptions to both Councils and WaterNSW customers. This has been further exacerbated by a turnover/mixing event in Oberon Dam which the WaterNSW treatment plant at Duckmaloi was not fully capable to deal with the Iron and Manganese levels experienced.

Due to the pipe failure adjacent to the Rail Overbridge at Wallerawang Council was unable to supply water from the OPWTP to villages. This pipeline repair/replacement was complete on the 23rd December 2020. Due to the Christmas/New Year period no change to the system configuration occurred after the completion of the repair/replacement. Council in co-operation with WaterNSW reconfigured the network starting on Thursday 4 February 2021 to improve water quality in the villages.

There were two exceedances of the aesthetic guideline values of the Australian Drinking Water Guidelines (ADWG). An exceedance of 0.1668mg/L was recorded for Manganese at site 223, Pindari Place, Wallerawang, and an exceedance of 0.1158mg/L was recorded for Manganese at Henning Crescent, Wallerawang.

There was one exceedance of the health guideline values of the Australian Drinking Water Guidelines (ADWG). An exceedance of 22MPN/100mL was recorded for Total Coliforms at site 225 in Glen Davis.

As previously advised water from OPWTP is now being supplied to the villages to improve water quality.

Water Mains and Service Issues

Council experienced twenty-five main breaks during the period, 15 October 2020 to 10 February 2021. The below provides the date and location of the breaks:

- Main Street, Lithgow 15/10/20
- Great Western Highway, Lithgow - 15/10/20, 27/11/20
- Cullen Street, Portland 24/10/20
- Lane Street, Wallerawang 24/10/20
- Enfield Avenue, Lithgow 29/10/20
- Falnash Street, Portland 2/11/20
- Passchendale Street, Lithgow 10/11/20
- Beynon Street, Lithgow 14/11/20
- Wolgan Road, Lidsdale - 19/11/20, 25/12/20
- Barton Street, Lithgow 19/11/20
- Bridge Street, Lithgow 26/11/20
- Pinta Street, Wallerawang 26/11/20
- Blackett Drive, Wallerawang 28/11/20
- Williwa Street, Portland 1/12/20
- Great Western Highway, Bowenfels 5/12/20
- Amiens Street, Lithgow 10/12/20
- Rabaul Street, Lithgow 16/12/20, 05/02/21
- Ian Holt Drive, Lidsdale 23/12/20
- Piper Street, Portland 23/12/20
- Ferro Street, Lithgow 23/12/20
- Lett Street, Lithgow 28/12/20
- Hartley Vale Road 31/12/20
- Purchas Street, Portland 11/01/21
- Laurence Street, Lithgow 22/01/21
- Geordie Street, Lithgow 27/01/21
- Hutchinson Street, Lithgow 27/01/21
- Calero Street, Lithgow 02/02/21
- Henning Crescent, Wallerawang 02/02/21
- Beaufort Street, Lithgow 09/02/21

Sewer Mains and Service Issues

Council experienced thirty-one sewer chokes/blockage during the period, 15 October 2020 to 15 January 2021. The below provides the date and location of the chokes:

- Williwa Street, Portland 15/10/20
- First Street, Lithgow 16/10/20
- Inch Street, Lithgow - 16/10/20, 5/11/20
- Tobruk Street, Lithgow 26/10/20
- Mort Street, Lithgow - 3/11/20, 10/11/20, 23/11/20, 7/12/20
- Coerwull Road, Lithgow 9/11/20
- Wrights Road, Lithgow - 12/11/20, 23/11/20
- Clwydd Street, Lithgow 13/11/20
- Landa Street, Lithgow 18/11/20
- Young Street, Lithgow 21/11/20
- Hume Avenue, Wallerawang - 6/12/20, 10/12/20
- Madle Street, Lithgow 7/12/20
- Andrew Street, Lithgow 9/12/20
- Hay Street, Lithgow 11/12/20
- Third Street, Lithgow 19/12/20
- Cupro Street, Lithgow 21/12/20
- Inner Crescent, Lithgow 28/12/20
- Great Western Highway, Bowenfels 30/12/20

- Bells Road, Lithgow 31/12/20
- Lett Street, Lithgow 2/01/21
- Bent Street, Lithgow 12/01/21
- Villiers Street, Portland 13/01/21
- Coalbrook Street, Lithgow 14/01/21
- Main Street, Wallerawang 22/01/21
- Laurence Street, Lithgow 22/01/21
- Cameron Place, Lithgow 01/02/21
- Falnash Street, Portland 01/02/21

Policy Implications

Nil.

Financial Implications

- Budget approved - N/A
- Cost centre - N/A
- Expended to date - N/A
- Future potential impact – N/A

Legal and Risk Management Implications

Nil.

Attachments

Nil

Recommendation

THAT Council Note the February 2021 Water Report as an update on water and wastewater management.

10.4. Finance and Assets Reports

10.4.1. FIN - 22/02/2021 - 2020/21 Quarter Two Budget Review

| | |
|----------------------|---|
| Prepared by | Ross Gurney – Chief Financial and Information Officer |
| Department | Finance |
| Authorised by | Chief Financial & Information Officer |

Summary

This report provides the Quarterly Performance Report on the 2020-2021 Operational Plan for the period of 1 October 2020 to 31 December 2020 with a recommendation that variations to income, expenditure and capital budget estimates are voted and that the revised financial result of **\$1.791M** consolidated operating surplus (before capital grants) be noted.

The Chief Financial and Information Officer (CFIO), as Responsible Accounting Officer, has reviewed the report and advises that Council's projected financial position at 30 June 2021 will be **satisfactory** compared with the original budget.

The report also provides information on ongoing issues related to cashflow and reserve balances, as well as proposed actions to address the issues.

Commentary

Executive Summary

The CFIO has stated in the Quarterly Performance Report that Council's projected financial position at 30 June 2021 will be **satisfactory**, having regard to the original budget position. Council's projected position at 30 June 2021 has improved from the original budget **\$958K** surplus operating result (before capital) to a projected surplus of **\$1.791M** operating result (before capital). The main reasons for the change are as follows:

- A decrease in the roads depreciation budget of \$550K as a result of reviewing the depreciation methodology for roads after the \$47.7M revaluation increment at the 30 June 2020.
- Reallocation of \$600K from Capital Grants to Operating Grants for Local Roads and Community Infrastructure Phase 1.
- \$1.296M Local Roads and Community Infrastructure Phase 2 operating grant which will be mainly utilised for transport maintenance works.
- \$250K Bushfire Community Recovery and Resilience fund operating grant.
- Corrections to the Water and Wastewater materials and contracts budgets more than offset an increase in General Fund expenses funded from grants (net saving \$340K).

Although the projected operating result has improved, Council continues to be impacted by lower cash inflows from rates receipts, reduced investment income and pressure on employment costs. These issues have particularly impacted on reserve balances. Effectively, Council has drawn on internally restricted funds as cash outflows have exceeded cash inflows for the first six months of the 2020/21 year.

The following remedial actions continue to be pursued to mitigate the issues mentioned above:

- Deferred recruitment action and consideration of opportunities to alternatively deliver services when vacancies are created without diminishing quality i.e. restructuring, productivity options.
-

- An operating efficiencies and cost savings program will continue for the remainder of the 2020/21 year.
- Ongoing review of any projects which can be deferred from the 2020/21 Operational Plan.

Summary of the October to December Quarterly Budget Review Report

Details of the October to December Quarterly Budget Review Report are provided in the attachment to the Business Paper. Below is a summary table:

| 2020/2021 Quarterly Budget Comparison | | | |
|---------------------------------------|--------|-------------|--------|
| Budget | Income | Expenditure | Result |
| | \$'000 | \$'000 | \$'000 |
| Original Budget | 51,292 | 46,471 | 4,821 |
| September Review | 53,862 | 48,636 | 5,226 |
| December Review | 53,782 | 47,924 | 5,858 |
| March Review | | | |

| 2020/2021 Quarterly Budget Comparison - By Fund | | | |
|---|--------|-------------|--------|
| Budget | Income | Expenditure | Result |
| | \$'000 | \$'000 | \$'000 |
| General | 38,290 | 34,392 | 3,898 |
| Water | 7,323 | 6,487 | 836 |
| Wastewater | 8,168 | 7,044 | 1,124 |

Reasons for Changes in Revenue and Expenditure Projections

Projected revenue to 30 June 2021 has **decreased by \$80K** during Quarter Two, mainly due to the following reasons:

- Increase in operating grants of \$1.896M for Local Roads and Community Infrastructure.
- \$250K Bushfire Community Recovery and Resilience Fund Operating Grant.
- \$2.1M decrease in Capital Grants, being \$1.5M for the Cullen Bullen Sewerage Upgrade (moved to the draft 2021/22 program) and \$600K reallocation to Operating Grants for Local Roads and Community Infrastructure.

Projected operating expenditure to 30 June 2021 has **decreased by \$712K** during Quarter Two, mainly due to the following reasons:

- Employee costs increased by \$280K in total, including a \$744K increase for the Local Roads and Community Infrastructure (maintenance projects) and \$464K decrease in the budget for Wastewater employment costs.
- Depreciation expense decreased by \$550K as result of reviewing the roads depreciation methodology following the revaluation increments for roads of \$47.7M in 2019/20.
- Materials and Contracts decreased by \$340K consolidated. Expenditure budgets were added for the Local Roads and Community Infrastructure operating grant (\$405K) and the Bushfire Community Recovery and Resilience operating grant (\$250K). The additional expenditure will be offset by a reduction of planned works in Water (\$800K) and Wastewater (\$195K).

Projected End of Year Result

The net effect of the minor decrease in projected revenue and the large decrease in projected expenditure is an improvement in the expected consolidated operating result from a surplus of **\$4.821M** to a surplus of **\$5.858M** at 30 June 2021 (including capital grants).

The operating result **before capital grants** is a key Office of Local Government performance measure with a benchmark of a balanced operating result (i.e. nil surplus / deficit). Capital grants are excluded from the performance measure as they do not contribute towards funding Council's operations. Council's revised consolidated operating result (before capital grants) at 30 June 2021 is projected to be a **\$1.791M** surplus, which meets the OLG benchmark.

At the end of Quarter Two 2020/21, it is projected that the General Fund will have a surplus (before capital grants) of \$196K. In addition, both the Water Fund and the Sewer Fund will have surplus operating results (before capital grants) at 30 June 2021.

Capital Expenditure Budget

The 2020/21 capital expenditure budget is projected to be **\$19.8M** (excluding loan repayments). The revised budget is a decrease of **\$3.643M**, from the \$23.44M (excluding loan repayments) budget at the end of Quarter One. The decrease is mainly due to:

- \$1.178M budget correction (decrease) for the Lithgow Sewerage Treatment Plant project.
- \$1.5M reduction in the Cullen Bullen sewerage upgrade project budget due to a change in project programming and timing.
- \$1.077M decrease due to the deferral of capital projects as endorsed by Council to mitigate the cashflow issue.
- \$101K increase for necessary plant and equipment purchases.

Cash and Investments – Reserve Balances

Council's cashflow strategy in recent years has been to hold minimal unrestricted cash, thus maximising investment returns. Most cash held in restricted reserves has been invested in term deposits. The strategy to maximise returns means that Council holds minimal working capital and relies on term deposits maturing regularly to pay staff and suppliers on time.

Rules and procedures are being developed to ensure that sufficient working capital is held in short-term deposits to meet Council's immediate needs (approx. \$750K to \$1M at any time).

The Cash and Investments Statement at 31 December 2020 is shown in the table below.

| Cash and Investments Statement | | | | |
|---------------------------------------|--------------------------------------|---|--|---------------------------------------|
| | 30 June 2020 Position | 30 September 2020 Position | 31 December 2020 Position | 31 March 2021 Position |
| Externally Restricted | | | | |
| Developer Contributions | 1,985 | 2,108 | 2,099 | |
| Special Purpose Grants | 3,675 | 2,120 | 1,880 | |
| RMS Grants | - | - | - | |
| Water Supplies | (1,848) | (820) | 1,600 | |
| Sewerage Services | 8,482 | 9,489 | 8,554 | |
| Domestic Waste | 4,752 | 5,450 | 6,378 | |
| Unexpended Loans | 2,530 | 2,530 | 2,430 | |
| Total Externally Restricted | 19,574 | 20,878 | 22,942 | |
| Internally Restricted | | | | |
| Land & Buildings | 5,130 | 4,860 | 5,195 | |
| Plant & Equipment | 429 | 278 | 410 | |
| Bonds, Deposits & Retentions | 558 | 693 | 627 | |
| Works in Progress | 1,798 | 1,798 | 1,798 | |
| Carry Over Works | 1,291 | 1,174 | 754 | |
| ELE | 754 | 754 | 754 | |
| Election | 110 | 110 | 135 | |
| Internal Loan | (2,673) | (3,237) | (2,510) | |
| Total Internally Restricted | 7,397 | 6,429 | 7,162 | |
| Unrestricted | - | - | (652) | |
| Total Cash and Investments | 26,971 | 27,307 | 29,452 | |

At the 26 October 2020 meeting, Council resolved to endorse the addition of an internal borrowings reserve of \$2,510,330 to fund the deficit in internal reserves at 30 June 2020, expected to be repaid over 3 years (Min. No. 20-250).

For the year to 31 December 2020, the reserves shortfall has increased by **\$652K**. The main reasons for the increase in the reserves shortfall are:

- An increase in rates debtors in the 2020/21 year to date.
- Investment revenue is projected to be \$300K in 2020/22. This would be a decrease of \$265K on 2019/20 interest income of \$565K.

The reduction in income and lower cash inflows for rates receipts has resulted in insufficient cash receipts being available to fund Council's ordinary operations and capital expenditure. Action taken by Council to defer capital works projects, identify expenditure savings and defer recruitment action has mitigated much of the impact of lower cash inflows. In the longer term, further action will be required to contain expenditure within available income and cash receipts.

It is recommended that Council transfer **\$652K** from the Land Bank reserve to restore internally restricted reserves to the internal loan balance of -\$2.51M. The Land Bank reserve would be reduced from \$4.626M to \$3.975M which is more than adequate to fund short to medium term plans for use of the reserve funds.

The draft 2021/22 budget will include a transfer of \$837K as the first instalment of a three year plan to repay the internal borrowings reserve. The transfer to the reserve will be funded by a reduction in revenue funded capital works and capital purchases.

It is anticipated that Council's cash receipts will continue to be impacted into the 2021 calendar year. Until 31 March 2021, Councils cannot commence proceedings for the recovery of rates or charges against a person without first considering specific matters that relate to that person's individual circumstances.

Cashflow and reserve balances are being actively monitored and further interventions may be required in the current financial year. A cashflow update is included as a standing agenda item on the Finance Committee meeting agenda.

Policy Implications

Nil.

Financial Implications

As detailed in this report.

Legal and Risk Management Implications

The Local Government Act 1993 and Local Government (General) Amendment (Planning and Reporting) Regulation 2009 sets out the requirements for the quarterly reporting of the achievement of performance targets and the submission of a budget review statement after the end of each quarter.

Attachments

1. October - December 2020 Quarterly Report - Final Version [**10.4.1.1** - 18 pages]

Recommendation

THAT Council

1. Note the contents of the report and the revised consolidated operating result before capital grants of \$1.791M surplus for the 2020/21 Operational Plan as detailed in the Quarterly Budget Review Report for the period 1 October 2020 to 31 December 2020.
2. Adopt the income, expenditure and capital budget variations to the 2020/21 Council budget as outlined in the attached report.
3. Note the information provided on Council's cashflow issue and the impacts on internally restricted reserves.
4. Endorse the transfer of \$652K from the Land Bank reserve to restore internally restricted reserves to the internal loan balance of -\$2.51M.
5. The proposal to develop a strategy to ensure that sufficient working capital is held in short-term deposits to meet Council's immediate needs (approx. \$750K to \$1M at any time) be noted, and further reported for Council's consideration.

10.5. People and Services Reports

10.5.1. PS - 22/02/2021 - Planet Youth Report

Prepared by Ali Kim - Community Development Officer

Department Community & Culture

Authorised by Director of People & Services

Summary

This report provides information on the work of the Local Drug Action Team (LDAT), as we move into the second year of the *Planet Youth* trial.

Commentary

Planet Youth Programs include:

- Parent consultative group: The Planet Youth project officer meets with the parent consultative group every 6 weeks to inform of the Planet Youth direction and to discuss ideas for engaging with youth and their families.

From this consultation the LDAT project officer has devised a calendar of events which include:

- Regular movie events;
- Cooking classes;
- Drop in art/youth space;
- Holiday activities;
- Career expo days;
- Sporting taster days; and
- Talent competition.

These programs are designed to engage young people, increase protective factors and reduce risk factors for young people in the uptake of early drug and alcohol use.

Community Development staff will be placing a greater emphasis on this program as the community emerges from the COVID-19 Pandemic. Council will work with the LDAT to support the above programs and assist with the measurement of outcomes from the Planet Youth trial

Policy Implications

Nil.

Financial Implications

- Budget approved - Nil
- Cost centre - Nil
- Expended to date - Nil
- Future potential impact -Nil

Legal and Risk Management Implications

Nil.

Attachments

Nil

Recommendation

THAT Council note the information provided on the ongoing work of the Local Drug Action Team.

10.5.2. PS - 22/02/2021 - Alcohol Free Zones

Prepared by Matthew Johnson - Community and Culture Manager
Department Community & Culture
Authorised by Director of People & Services

Reference

Min 09- 101 from Ordinary Meeting of Council 9 March 2009
Min 09-191 from Ordinary Meeting of Council 11 May 2009
Min 13-62 from Ordinary Meeting of Council 25 February 2013
Min 17-56 from Ordinary Meeting of Council 23 February 2017
Min 17-102 from Ordinary Meeting of Council 10 April 2017

Summary

This report proposes that, following completion of a public notice period, the Alcohol Free Zones in the Lithgow, Portland and Wallerawang CBD areas be established for a further 4 years under Section 644 of the Local Government Act 1993.

Commentary

The current Alcohol Free Zones in the Lithgow, Portland and Wallerawang CBD areas were last extended by a resolution of Council at the Ordinary Meeting of Council on 10 April 2017 (Min 17-102). Their operation will cease on 10 April 2021.

Alcohol Free Zones may operate for a maximum period of 4 years after which Councils are required to consider whether they are still required or if they should be re-established for a further period.

Council has powers under Sections 644 of the local Government Act 1993 to establish Alcohol Free Zones on roads, footpaths and public carparks. The establishment of an Alcohol Free Zone gives powers to the Police to seize, tip out or otherwise dispose of open containers of alcohol. The Police may also issue a warning or where a person does not co-operate with the Police, they can be charged with obstruction under Section 660 of the Local Government Act 1993.

The matter was discussed at the 8 February 2021 Crime Prevention Committee meeting, with the Committee making a recommendation that Council extend the current Alcohol Free Zones for a further 4 years.

Council may also establish Alcohol Prohibited Areas under Section 632A of the Local Government Act in public places (other than roads, footpaths and public carparks) such as parks, as for example Council has done in Queen Elizabeth Park and a number of other parks. Alcohol Prohibited Areas may operate without time limit. Offences and penalties are consistent with those that apply in Alcohol Free Zones. This report does not deal with the establishment of Alcohol Prohibited Areas.

The Lithgow Alcohol Free Zone

The public areas included in the current Lithgow CBD Alcohol Free Zone are as follows:

- Main Street (from Bridge Street to Laurence Street);
- Main Street Lane and Burns Lane between Bridge Street and Bank Lane);
- Tank Street (from Bridge Street to Read Avenue);
- Bridge Street (from Tank Street to Main Street Lane);
- Railway Parade (from Tank Street to Sandford Avenue and including Gray and Station Streets.);
- Eskbank Street (from Mort Street to Railway Parade);
- Cook Street Plaza;
- Bank Lane;

- Tatts Lane;
- Collins Laneway;
- Exchange Walkway; and
- Bank Street between Main Street and Gray Street.

The Portland Alcohol Free Zone

The public areas included in the current Portland CBD Alcohol Free Zone are as follows:

- Williwa Street from Lett Street to Saville Street;
- Lett Street from Vale Street to Williwa Street;
- Scheidel Lane;
- Cox Street from Villiers Street to Vale Street;
- Vale Street from Lett Street to Wolgan Street;
- Wolgan Street from Villiers Street to Williwa Street;
- Villiers Street from Lett Street to Wolgan Street;
- Wallerawang Road from Cullen Street to Wolgan Street; and
- Cullen Street from Wallerawang Road to Williwa Street.

The Wallerawang Alcohol Free Zone

The public areas included in the current Wallerawang CBD Alcohol Free Zone are as follows:

Main Street between Pipers Flat Road (Black Bridge) and the Royal Hotel including Daintree Lane, Blackberry Lane and Doggett Lane.

Inspector Sammut of Chifley Command indicated at the 8 February 2021 Crime Prevention Committee meeting that he fully supports this extension of time.

The Ministerial Guidelines on Alcohol Free Zones require that in establishing an Alcohol Free Zone, Councils consider:

1. The success of the previous zone in achieving a reduction in unacceptable street drinking;
2. Police statistics;
3. Other possible measures for addressing street drinking such as community education; and
4. Community perceptions on the safety benefits.

These matters will be canvassed during the consultation process.

The attached proposal to establish the Lithgow, Portland and Wallerawang Alcohol Free zones for a further 4 years and with the same boundaries as the current Alcohol Free Zones will be publicly advertised with the community asked to make comment within 30 days. All Liquor Licensees within or adjoining the Alcohol Free Zones together with the Police and Aboriginal organisations will be provided with a copy of the proposal and invited to make comment.

The matter, with community comments will then be brought back to Council in April 2021 for its consideration.

The establishment of the Alcohol Free Zones will come into effect 7 days after Council resolves to adopt the proposal, publishes a notice to that effect and once the areas included in the zones are adequately signposted.

Policy Implications

NIL

Financial Implications

- Budget approved - \$16,000
- Cost centre - 600214
- Expended to date - nil

- Future potential impact - There will be minimal cost in altering the dates of operation on existing signage.

Legal and Risk Management Implications

Local Government Act NSW 1993

Attachments

1. Alcohol Free Zone Proposal 2021 [**10.5.2.1** - 3 pages]
2. Lithgow Map [**10.5.2.2** - 1 page]
3. Portland Map [**10.5.2.3** - 1 page]
4. Wallerawang map [**10.5.2.4** - 1 page]

Recommendation

THAT Council:

1. Consult with the Police, all affected liquor licences and the general community on the proposal to establish Alcohol Free Zones in the Lithgow, Portland and Wallerawang CBD's for a further 4 years in accordance with Section 644 of the Local Government Act 1993.
2. Publish a notice of the proposed establishment of the Alcohol Free Zones in these areas, calling for comment by 31 March 2021.

10.5.3. PS - 22/02/2021 - Delivery Program - Six Monthly Progress Report

Prepared by Deborah McGrath - Corporate Planning and Communications Officer
Department Corporate Planning and Communications
Authorised by Director of People & Services

Summary

This report deals with the July to December Progress Report against the combined 2017- 21 Delivery Program and 2020/21 Operational Plan.

Commentary

The Local Government Act 1993 S404(5) states:

“The general manager must ensure that regular progress reports are provided to the council, reporting as to its progress with respect to the principal activities detailed in its delivery program. Progress reports must be provided at least every 6 months”.

The July to December Progress Report against actions in the combined 2017-21 Delivery Program and 2020/21 Operational Plan has been compiled in accordance with the requirements under the Local Government (General) Amendment (Planning and Reporting) Regulation 2009. A copy of this report has been provided to Councillors within their Business Paper Packages. A summary is (which appears in the report as a General Manager’s comment) is below.

General Manager's comment

“The Council’s operating environment during the first and second quarters of 2020 continued to be profoundly influenced by the Covid 19 pandemic. Working remotely and splitting work crews kept the workforce and community safe but there were understandable challenges as new work practices were implemented. Inevitably, there was also a backlog of work as a result of Council’s resources being diverted to dealing with multiple recent disasters – most notably bushfires, but also flooding and drought.

Council continued the focus on community recovery from disasters and Covid 19 pandemic. The Council was active in partnering with other levels of government to pursue grants for recovery with great success. Emphasis was placed on working at a fine grained level with affected communities and individuals to rebuild their lives and their properties. New ways to engage with the community were designed and delivered. We will continue to look for new and innovative ways to connect with our rural and remote areas. The experience should equip the city with greater resilience and the Council with the experience to play a central role in people’s lives as they grapple with challenges.

We recognised that the broader community were doing it tough and so when people fell behind in paying accounts we increased our focus on payment plans. Rent relief was provided to the business tenants in Council’s properties. Council adjusted its works program accordingly with some projects deferred until our finances recovered.

Good outcomes were delivered with respect to the city’s natural environment. Rural landfills were enhanced with new cells, site rehabilitation works and changed operating procedures better containing waste materials and preventing the dumping of hazardous wastes. A thorough plan was developed to support the return of responsibility for the Lithgow landfill to Council’s operations, with every milestone met. This will support enhanced waste resource management and improve the customer experience for users of the landfill.

Council procures potable water from the NSW government's WaterNSW and distributes that to the rural villages. For a range of reasons, the quality of the water that was provided by WaterNSW was not acceptable. Council stepped in and provided considerable resources to supply replacement water and advocated strongly for an improved level of service.

While necessary austerity measures had to be introduced to respond to cashflow challenges, significant built infrastructure was still delivered ie., reconstruction and sealing of Glen Davis Road, Hartley Vale Road, Dark Corner Road and Fields Road. The Lithgow Pool moved across to Covid safe operating and 17 543 visited receiving much needed recreation and activity. Also, 325 local children learned how to swim during the period.

Regional NSW experienced increased visitation and the tourism team worked hard to ensure that Lithgow was promoted as a destination. The installation of banners brought activity and colour to Main Street Lithgow. New marketing programs were rolled out with enhanced collateral material pushed out via social media and other technology. As people started to venture out more than 18 300 visitors called into the visitor information centre. With events like Halloween cancelled because of Covid fresh and innovative means were used to engage the community in events. The library excelled, hosting many electronic events such as story times and children's programs which can only help to increase our reach into the community via new media.

Continuing our caring approach to impounded animals the dog kennel area at the Lithgow Animal Shelter was heated in time for winter and out of 183 animals impounded 150 were returned or rehoused.

In summary, the first half of this Operating Plan year has been challenging but Council has stayed focused on providing quality services throughout. New practice had to be developed and rolled out seamlessly. Support from other levels of government has been much appreciated and we are substantially on track to deliver all funded projects on time. The back half of this year will see attention given to customer service, financial restraint and project delivery."

The report will be placed on Council's website and made available for viewing.

Policy Implications

There are no policy implications as a result of the July to December Progress Report.

Financial Implications

- Budget approved – N/A
- Cost centre – N/A
- Expended to date – N/A
- Future potential impact – N/A

Legal and Risk Management Implications

The Annual Report documents were prepared in accordance with the requirements of the Local Government Act 1993 and Local Government (General) Amendment (Planning and Reporting) Regulation 2009.

Attachments

1. July- December 2020 Progress Report [**10.5.3.1** - 124 pages]

Recommendation

THAT Council note the July – December Progress Report against the combined 2017-21 Delivery Program and 2020/21 Operational Plan.

11. Council Committee Reports

11.1. COMM - 22/02/2021 - Community Development Committee Minutes 10 November 2020

Prepared by Matthew Johnson – Community & Culture Manager

Department Community & Culture

Authorised by Director of People & Services

Summary

The Minutes of the Community Development Committee meeting held on 10 November 2020 are presented for Council's information.

Commentary

At the Community Development Committee meeting held on 10 November 2020 various matters were discussed including:

1. 2020 Ability Awards

The Committee considered the nominations received and determined the following category winners:

The Lithgow Ability Mastery Award - This award will be presented to an individual with a disability in recognition of their extraordinary achievement in a field of their choice – be it arts, film, medicine, science, industry, technology, education, community development, human rights, sports or more.

Winner: Priscilla Steele

Community Spirit Award - This award will be presented to a person with a disability who exhibits community or non-profit leadership and advocacy for the rights and needs of people with a disability.

Winner: Jeff Thurlow.

Covid Innovation Award: This award recognizes a community group, service or individual who has made innovative changes to their project, program or service to improve the quality of life for persons with disabilities in our community during the unprecedented changes of 2020.

Winners: Sharron Bowman Centwest Entertainment and Lithgow Community Choir.

Volunteer of the Year Award - This award recognises the significant contribution to volunteering that a person with a disability has made to the community.

Winner: Saaskia Girdler

Sport, Health and Wellbeing Award - This award recognises sport, health and wellbeing programs /services that are creating equal access for persons with disabilities.

Winner: Lithgow City Rangers Soccer Club

Business/employer Award - This award recognises businesses that have improved access to their business to welcome and cater for disabled customers.

Winner: Euphoria Cleaning

Special Commendation for Young Innovator: Bryce Pearce.

Awards were presented at an online celebration event in December 2020.

2. Bushfire Recovery

An update was provided by Council's Community Recovery Officer on Community Recovery activities

3. Lithgow Dementia Alliance

An update was provided to the committee on the work of the Lithgow Dementia Alliance

4. Main Street Banners

An update was provided on the NSW State Government funding that Council has received and support from Endeavour Energy to install a raise-and-display banner system on 28 light poles along Main Street between Lithgow Street and Bridge Street.

Policy Implications

Nil.

Financial Implications

- Budget approved - N/A
- Cost centre - N/A
- Expended to date - N/A
- Future potential impact – N/A

Legal and Risk Management Implications

Nil.

Attachments

1. CDC Minutes 10 November 2020 [**11.1.1** - 7 pages]

Recommendation

THAT Council notes the minutes of the Community Development Committee meeting held on 10 November 2020.

11.2. ENVIR - 22/02/2021 - Environmental Advisory Committee Meeting Minutes 11 November 2020

Prepared by Richard Holz – Team Leader Environment & Health

Department Environment & Economic Development

Authorised by Andrew Muir

Summary

In accordance with the Terms of Reference for the Environment Advisory Committee, minutes of the meeting held on 11 November 2020 are reported to the Council.

Commentary

The Environment Advisory Committee met on 11th November 2020 and minutes were completed and are included as an attachment to this report.

In accordance with the Terms of Reference for the Committee, the minutes are ratified by two members who were present at the meeting. Two members have fulfilled this requirement. The minutes are now reported to Council.

No matters arise that require a resolution of the Council.

Policy Implications

Nil.

Financial Implications

- Budget approved - N/A
- Cost centre - N/A
- Expended to date - N/A
- Future potential impact - N/A

Legal and Risk Management Implications

Nil

Attachments

1. EAC Minutes 11.11.2020 with attachments [11.2.1 - 21 pages]

Recommendation

THAT Council note the minutes of the Environment Advisory Committee meeting held on 11 November 2020.

11.3. IS - 22/02/2021 - Operations Committee Meeting Minutes - 18 November 2020

Prepared by Kaitlin Cibulka- Executive Assistant Infrastructure Services

Department Infrastructure Services

Authorised by Director of Infrastructure & Services

Summary

This report provides details of the Minutes of the Operations Committee Meeting held on 18 November 2020.

Commentary

At the Operations Committee Meeting held on 18 November 2020, there were numerous items discussed by the Committee including:

1. Integrated Water Cycle Management Plan (IWCMP);
2. Water & Sewer Infrastructure Update;
3. Cullen Bullen Sewerage Scheme Update; and
4. Monthly Project Update.

Policy Implications

Nil.

Financial Implications

- Budget approved - N/A
- Cost centre - N/A
- Expended to date - Nil
- Future potential impact - N/A

Legal and Risk Management Implications

Nil.

Attachments

1. DRAFT Minutes Operations Committee Meeting 18 November 2020 [11.3.1 - 7 pages]

Recommendation

THAT Council note the minutes of the Operations Committee Meeting held on 18 November 2020.

11.4. IS - 22/02/2021 - TALC Committee Meeting Minutes - 26 November 2020

Prepared by Kaitlin Cibulka- Executive Assistant Infrastructure Services

Department Infrastructure Services

Authorised by Director of Infrastructure & Services

Summary

This report provides details of the Minutes of the Traffic Advisory Local Committee (TALC) meeting held on 26 November 2020.

Commentary

At the TALC meeting held on 26th November 2020, there were numerous items discussed by the committee, however they were outside the Committee's delegation and require Council to formally approve the recommendations:

Item 6.1 - Resident Concern – Volume of Traffic – Rowsell Street Portland

1. Advise the resident of the results of this analysis and make no change to the current traffic arrangements in the vicinity of Rowsell Street and Railway Parade, Portland; and
2. Liaise with the local Police regarding high average vehicle speeds along Railway Avenue, Portland.

Item 6.2 - Railway Parade – Pedestrian Crossing Audit

THAT Council undertakes the following improvements in relation to the Railway Parade pedestrian crossing:

1. Realign both W6-2 sign in Railway Parade to prevent further collision with parked cars and allow adequate visibility by motorists; and
2. Reinstate centerline and edge lane markings in Railway Parade; and
3. Relocate waste bin on a fixed stand closer to property boundary, not kerb side; and
4. Review the approach and departure zones for compliance.

Item 6.3 - Proposed Event – Bondi2BlueMountains – Charity Bike Event – March 2021

THAT the Council approves the charity bike event – Bondi2Berry on 6th and 7th March 2021 as identified in their submitted Covid-19 Safety Plan, Event Management Plan, Risk Management Plan and subject to the following conditions:

1. The Applicant provide Council with a copy of their Public Liability Certificate of Currency, demonstrating coverage of minimum \$20 million.
2. The Applicant undertake public notification via local media sources at least two (2) weeks prior to the event
3. Approval be granted by NSW Police for any additional event approvals required; and
4. Approval be granted by TfNSW for any additional event approvals required
5. Inform organisers of proposed closure of McKanes Falls bridge and route may need to be adjusted.

Item 6.4 - No Stopping Zone – Main Street/Daintree Lane Wallerawang

THAT Council creates a No Stopping zone in Main Street, Wallerawang, located 10 metres either side of the intersection with Daintree Lane (including the installation of appropriate R5-400 signs)

Item 6.5 - 5 Minute Parking Zone – Coerwull Infants School Lithgow

THAT

1. Council install a 5-minute Parking zone during morning and afternoon school drop off / pick up times on the western side of Malvern Street, between Malvern / Martini Lane and Methven Street, Lithgow, to allow parents / careers to safely drop off and pick up students in the morning and afternoon; and
2. Council notify the school to advise that the zones must be managed and communicate with parents/ care givers; and
3. Council completes a review of the implementation of the 5 minute Parking zone to be undertaken after two (2) terms (July 2021).

Item 6.6 - 5 Minute Parking Zone – Coerwull Primary School, Lithgow

THAT

1. Council install a 5-minute Parking zone during morning and afternoon school drop off / pick up times on both sides of Ordnance Avenue, between Main street and Main Street Lane, Lithgow, to allow parents / careers to safely drop off and pick up students in the morning and afternoon; and
2. Council notify the school to advise that the zones must be managed and communicate with parents/ care givers; and
3. Council completes a review of the implementation of the 5-minute Parking zone to be undertaken after two (2) terms (July 2021).

Item 6.7 - 5 Minute Parking Zone – St Joseph's School, Portland

THAT

1. Council install a 5-minute Parking zone during morning and afternoon school drop off / pick up times on the western side of Williwa Street, between High Street and Portland Road, Portland, to allow parents / careers to safely drop off and pick up students in the morning and afternoon; and
2. Council notify the school to advise that the zones must be managed and communicate with parents/ care givers; and
3. Council completes a review of the implementation of the 5-minute Parking zone to be undertaken after two (2) terms (July 2021).

Item 6.8 - 5 Minute Parking Zone – Zig Zag Public School, Lithgow

THAT

1. Council replace the existing No Parking Zone with a 5-minute Parking zone during morning and afternoon school drop off / pick up times on the southern side of Victoria Avenue, between Mills Street and the end, Lithgow for quick entry and exit, and to minimise traffic / pedestrian congestion and risk when used properly by all parents and careers; and
2. Council notify the school to advise that the zones must be managed and communicate with parents/ care givers; and
3. Council completes a review of the implementation of the 5-minute Parking zone to be undertaken after two (2) terms (July 2021).

Policy Implications

Nil.

Financial Implications

- Budget approved – minor costs funded within recurrent budgets.
- Cost centre - N/A
- Expended to date – Nil.

- Future potential impact –Nil.

Legal and Risk Management Implications

Nil.

Attachments

1. DRAFT Minutes - TALC - 26 November 2020 [11.4.1 - 10 pages]

Recommendation

THAT Council:

1. Notes the minutes of the TALC Committee Meeting held on 26 November 2020; and
2. Approves the recommendations of the TALC Committee included in this report (as Items 6.1, 6.2, 6.3, 6.4, 6.5, 6.6, 6.7 and 6.8).

**11.5. COMM - 22/02/2021 - Youth Advisory Committee Meeting Minutes - 18
January 2021**

Prepared by Ali Kim - Community Development Officer

Department Community & Culture

Authorised by Director of People & Services

Summary

The minutes of the Youth Council meeting held on 18 January 2021 are presented for Council's consideration.

Commentary

At the January 2021 Youth Council meeting, members discussed various issues including:

- The upcoming Youth Week program to be held on April 17
- The drop in space/Planet Youth music and art project to be run during school terms at a local café.
- The Uluru Statement from the Heart and the Youth Council desire to both further understand First Nations issues and to write a submission on behalf of the Youth Council to the Voice Codesign Process.

Policy Implications

Nil.

Financial Implications

- Budget approved - Nil.
- Cost centre - N/A
- Expended to date - Nil.
- Future potential impact - Nil.

Legal and Risk Management Implications

Nil.

Attachments

1. Youth Advisory Committee Minutes 18 January 2021 [**11.5.1** - 5 pages]

Recommendation

THAT Council note the minutes of the Youth Council meeting held on 18 January 2021.

11.6. COMM - 22/02/2021 - Crime Prevention Committee Meeting Minutes 8 February 2021

Prepared by Matthew Johnson – Community & Culture Manager
Department Community & Culture
Authorised by Director of People & Services

Reference

Min 20-32 of the Ordinary Meeting of Council held 29 January 2020
Min 20-230 of the Ordinary Meeting of Council held 28 September 2020
Min 20-288 of the Ordinary Meeting of Council held 23 November 2020

Summary

The Minutes of the 8 February 2021 Crime Prevention Committee meeting are presented for Council's consideration.

Commentary

At the 8 February 2021 Crime Prevention Committee meeting, various matters were discussed including:

- A report from the Police on offending rates for the period November 2020 to January 2021.
- Discussion on ways that Council could disseminate information on how the community can protect itself against financial scams, motor vehicle theft and steal from motor vehicle offences.
- A recommendation that Council extend the current Alcohol Free Zones for a further 4 years. This matter is the subject of a separate report to the February Ordinary Council meeting.
- Discussion on the drinking of alcohol at sporting events.

Policy Implications

Nil.

Financial Implications

- Budget approved – nil.
- Cost centre - n/a
- Expended to date – nil.
- Future potential impact – nil.

Legal and Risk Management Implications

Nil.

Attachments

1. Crime Prevention Committee Minutes 8 February 2021 [**11.6.1** - 5 pages]

Recommendation

THAT Council notes the minutes of the 8 February 2021 Crime Prevention Committee meeting.

11.7. FIN - 22/02/2021 - Finance Committee Meeting Minutes - 8 February 2021

Prepared by Rhiannan Whiteley – Executive Assistant

Department Finance & Assets

Authorised by Chief Financial & Information Officer

Reference

Min No 20-293: Ordinary Meeting of Council 23 November 2020.

Summary

This report provides details of the Minutes of the Finance Committee Meeting held on 8 February 2021.

Commentary

At the meeting of the Finance Committee held on 8 February 2021, the following items were discussed:

- Procurement Management in Local Government – The committee discussed the Auditor General's report on local government procurement. The report includes areas of opportunity for Councils to improve procurement management. The CFIO has reviewed the report and identified improvement opportunities to further refine Council's procurement practices.
- Audit Action Lists - the Committee noted progress towards completing the internal audit and external audit actions.
- Cashflow Update - January 2021 – the CFIO provided the committee with an update on the ongoing cashflow issues.
- Investment Report January 2021 - the Committee discussed the January investment report and the need to continue to monitor the level of investments and reserve balances.
- 2020/21 Quarter Two Budget Review – the CFIO provided the committee with advice on matters related to the budget review.

The following business paper recommendation was endorsed by the Committee:

Investment Report January 2021

THAT:

1. Investments of \$27,290,000 and cash of \$177,973 for the period ending 31 January 2021 be noted.
2. The enclosed certificate of the Responsible Accounting Officer be noted

Policy Implications

NIL.

Financial Implications

- Budget approved - N/A
- Cost centre - N/A
- Expended to date - N/A
- Future potential impact - N/A

Legal and Risk Management Implications

NIL.

Attachments

1. Minutes Finance Committee 8 February 2021 [**11.7.1** - 7 pages]
 2. Investment Report January 2021 [**11.7.2** - 3 pages]
-

Recommendation

THAT Council:

1. Adopt the minutes of the Finance Committee meeting held on 8 February 2021 and note the items not requiring a resolution of Council.
2. Endorse the recommendations proposed in the Council Investments Report for January 2021.

11.8. COMM - 22/02/2021 - Community Development Committee Meeting Minutes 9 February 2021

| | |
|----------------------|---|
| Prepared by | Matthew Johnson - Community and Culture Manager |
| Department | Community & Culture |
| Authorised by | Director of People & Services |

Reference

Min 20-57 Ordinary Meeting of Council held 24 February 2020
Min 20-75 Ordinary Meeting of Council held 6 April 2020 (deferred from 23 March 2020)
Min 20-98 Ordinary Meeting of Council held 20 April 2020
Min 20-233 Ordinary Meeting of Council held 23 September 2020

Summary

The Minutes of the Community Development Committee meeting held on 9 February 2021 are presented for Council's consideration.

Commentary

At the Community Development Committee meeting held on 9 February 2021 various matters were discussed including:

1. Australia Day Awards

The Committee noted advice from Council staff that there was an oversight by those staff in the awarding of the 2021 Australia Day Awards. This had resulted in George and Fay Quinell not receiving a Volunteer of the Year Open Award as intended. It was agreed that they be contacted and invited to a Mayoral Reception to receive the award with the Community Development Committee to be invited.

There was further discussion on the need for streamlining the nomination process, seeking earlier nominations during the year and investigating the relevance of the Council Code of Conduct.

2. An update on current projects including:

Council has been successful in obtaining approximately \$42,000 grant funding for the Create Lithgow project, a year-long project of professional development for young people in the creative industries.

A "Rice of the World" event will be held at Cook Street Plaza on 21 March 2021 starting at 10 a.m. for Harmony Day.

Council, together with Planet Youth Lithgow and Headspace Lithgow are launching a new drop in space for young people to be held every Tuesday during school term, at Hometown Café.

3. Bushfire Community Grants program

Council has called for applications from communities impacted by the 2019-2020 Summer Bushfires for grants of up to \$10,000. Applications close on 21 February after which they will be considered by the Community Development Committee and forwarded to Council for consideration.

4. First Nations Issues

Clr Coleman brought to the Committee's attention correspondence she has received from several community members raising concerns about racism they have experienced, the lack of recognition given by Council and the broader community to First Nations people and most recently, vilification they have faced on social media and elsewhere for their views on changing the date of Australia Day.

The Committee asked that the Mayor be requested to prepare a Mayoral Minute to a meeting of Council stating that Council does not condone racism and vilification and to call for development of a road map for Council to develop a more meaningful partnership with the indigenous community.

Policy Implications

Council Policy *4.8 Consultation with Indigenous People* has been in place for a number of years and informs Council's consultation process in relation to matters that affect Indigenous communities and groups, Indigenous heritage values and places of Indigenous significance. It has primarily been used in relation to planning matters and would need to be reviewed to guide a broader range of matters.

Financial Implications

- Budget approved - N/A
- Cost centre - N/A
- Expended to date - N/A
- Future potential impact – N/A

Legal and Risk Management Implications

Nil.

Attachments

1. CDC Minutes 9 Feb 2021 [**11.8.1** - 5 pages]

Recommendation

THAT:

1. Council note the Minutes of the Community Development Committee meeting held on 9 February 2021.
2. The Mayor be requested to prepare a Mayoral Minute to a meeting of Council stating that Council does not condone racism and vilification and to call for development of a road map for Council to develop a more meaningful partnership with the indigenous community.

11.9. IS - 22/02/2021 - Sports Advisory Committee Meeting Minutes - 10 February 2021

Prepared by Kaitlin Cibulka - Executive Assistant Infrastructure Services

Department Infrastructure Services

Authorised by Director of Infrastructure & Services

Summary

This report provides details of the Minutes of the Sports Advisory Committee Meeting held on 10 February 2021.

Commentary

At the Sports Advisory Committee Meeting held on 10 February 2021, there were numerous items discussed by the Committee including:

1. 2021 LJ Hooker Reg Cowden Memorial Sports Star of the Year Awards.
2. Booking Requests.

The following items were outside the Committee's delegations and require Council to formally approve the recommendation:

- Item 5.1 Financial Assistance Requests

THAT Council provides Jordan Berry with \$300.00 toward the cost of participating in the National Futsal Competition.

Policy Implications

Nil

Financial Implications

- Budget approved - \$2,500.00
- Cost centre - 800158
- Expended to date - Nil
- Future potential impact - Budget reduced to \$2,200.00

Legal and Risk Management Implications

Nil

Attachments

1. DRAFT Minutes - Sports Advisory Committee - 10 February 2021 [11.9.1 - 9 pages]

Recommendation

THAT Council:

1. Note the minutes of the Sport Advisory Committee held on 10 February 2021.
2. Provide Jordan Berry with \$300.00 toward the cost of participating in the National Futsal Competition, funded from the Financial Assistance budget.

11.10. IS - 22/02/2021 - Operations Committee Meeting Minutes - 11 February 2021

Prepared by Kaitlin Cibulka - Executive Assistant Infrastructure Services

Department Infrastructure Services

Authorised by Director of Infrastructure & Services

Summary

This report provides details of the Minutes of the Operations Committee Meeting held on 11 February 2021.

Commentary

At the Operations Committee Meeting held on 11 February 2021, there were numerous items discussed by the Committee, including;

- Item 6.1 - Water & Sewer Infrastructure Update
- Item 6.2 - Cullen Bullen STP Update
- Item 6.3 - Integrated Water Cycle Management Plan
- Item 6.4 - Monthly Project Update
- Item 6.6 - Update –Bushfire Recovery Grant for Farmers Creek Masterplan Implementation

The following items were outside the Committee's delegations and require Council to formally approve the recommendation:

- Item 6.5 - Main Street Lithgow Water Main Condition Assessment
THAT
 1. The Committee accept the Condition Assessment Report.
 2. The Committee recommend to Council that no water main renewals be undertaken as part of the Main Street Revitalisation Project.

Policy Implications

Nil

Financial Implications

- Budget approved - N/A
- Cost centre - N/A
- Expended to date - Nil
- Future potential impact - Nil

Legal and Risk Management Implications

Nil

Attachments

1. DRAFT Minutes - Operations Committee Meeting - 11th February 2021 [11.10.1 - 10 pages]

Recommendation

THAT

1. Council note the minutes of the Operations Committee Meeting held on 11th February 2021; and
2. No water main renewals be undertaken as part of a future Main Street Revitalisation Project.

12. Business of Great Urgency

In accordance with Clause 241 of the Local Government Act (General) Regulations 2005 business may be transacted at a meeting of Council even though due notice of the business has not been given to the Councillors. However, this can happen only if:

- a) A motion is passed to have the business transacted at the meeting; and
- b) The business proposed to be brought forward is ruled by the Chairperson to be of great urgency.

13. Closed Council

13.1. CONFIDENTIAL - ECDEV - 22/02/2021 - Proposed sale of industrial parcel of land in Inch Street Lithgow

Prepared by Sandra Politi – Land Use & Property Officer
Department Economic Development and Environment
Authorised by Director of Economic Development & Environment

Reason for Confidentiality

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

(e) information that would, if disclosed, prejudice the maintenance of law.

Summary

The purpose of this report is to request Council's approval to sell an industrial lot currently in its ownership.

Recommendation

THAT Council Resolve to move into Closed Council to consider the confidential report as listed in the Business Paper.