



LEETON SHIRE COUNCIL

Council Chambers
LEETON 2705

Date: 1 October 2015

EXTRAORDINARY COUNCIL MEETING

7 OCTOBER 2015

PLEASE TAKE NOTICE that an
EXTRAORDINARY COUNCIL
MEETING will be held in the Council
Chambers on Wednesday 7 October
2015 at 6.00pm and your attendance
is requested thereat.

A handwritten signature in blue ink, appearing to read 'J. Kruger'.

Jackie Kruger
General Manager

LEETON SHIRE COUNCIL

AGENDA

EXTRAORDINARY COUNCIL MEETING

07 October, 2015

6.00pm

CIVIC PRAYER

ACKNOWLEDGEMENT OF COUNTRY

APOLOGIES

MAYORAL MINUTES

NOTICES OF MOTION (If any)

OFFICERS' REPORTS (As listed)

CLOSED COUNCIL – CONFIDENTIAL ITEMS

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ETHICAL DECISION MAKING AND CONFLICTS OF INTEREST

A GUIDING CHECKLIST FOR COUNCILLORS,
OFFICERS AND COMMUNITY COMMITTEES

ETHICAL DECISION MAKING

- Is the decision or conduct legal?
- Is it consistent with Government policy, Council's objectives and Code of Conduct?
- What will the outcome be for you, your colleagues, the Council, anyone else?
- Does it raise a conflict of interest?
- Could your possible conflict of interest lead to private gain or loss at public expense?
- Can the decision be justified in terms of public interest?
- Would it withstand public scrutiny?

CONFLICT OF INTEREST

- A conflict of interest is a clash between private interest and public duty. There are two types of conflict: Pecuniary – regulated by the Local Government Act and Division of Local Government and, Non-pecuniary – regulated by Codes of Conduct and policy. ICAC, Ombudsman, Division of Local Government (advice only).

THE TEST FOR CONFLICT OF INTEREST

- Is it likely I could be influenced by personal interest in carrying out my public duty?
- Would a fair and reasonable person believe I could be so influenced?
- Conflict of interest is closely tied to the layperson's definition of "corruption" – using public office for private gain.
- Important to consider public perceptions of whether you have a conflict of interest

IDENTIFYING PROBLEMS

- 1st Do I have private interest affected by a matter I am officially involved in?
- 2nd Is my official role one of influence or perceived influence over the matter?
- 3rd Do my private interest conflict with my official role?

Whilst seeking advice is generally useful, the ultimate decision rests with the person concerned.

AGENCY ADVICE

Officers of the following agencies are available during office hours to discuss the obligations placed on Councillors, Officers and Community Committee members by various pieces of legislation, regulation and Codes.

Contact	Phone	Email	Website
Leeton Shire Council	6953 0911	council@leeton.nsw.gov.au	www.leeton.nsw.gov.au
ICAC	8281 5999 Toll Free 1800 463 909	icac@icac.nsw.gov.au	www.icac.nsw.gov.au
Division of Local Government	4428 4100	dlg@dlg.nsw.gov.au	www.dlg.nsw.gov.au
NSW Ombudsman	8286 1000 Toll Free 1800 451 524	nswombo@ombo.nsw.gov.au	www.ombo.nsw.gov.au

RELATIONSHIP TO INTERGRATED PLAN

Under the Key Priority Area of “Caring for Our Health and Wellbeing” contained within Council’s adopted Delivery/Operational Plan, Goal 1A is to “lobby for improved health services including better communication of existing services”.

RECOMMENDATION

That Council:

1. Endorse the importance of locally based and appropriately staffed health services for the wellbeing of the people of Leeton Shire.
2. Authorise the Mayor and General Manager to seek clarification on the proposed organisational restructure of the Murrumbidgee Local Health District in order to understand fully how this will impact local health services and the retention of key staff in the Leeton Shire.
3. Authorise the Mayor and General Manager, in the event that there are ongoing concerns about health services and the retention of key staff, to collaborate with other affected Councils to advocate for a reconsideration of the Murrumbidgee Local Health District organisational restructure proposal.

ATTACHMENTS

There are no attachments for this report.

CORPORATE SERVICES MATTERS

**ITEM 1 FINANCIAL STATEMENTS AND AUDITORS REPORTS FOR
YEAR ENDED 30 JUNE, 2015**

RECORD NUMBER	15/261
RELATED FILE NUMBER	EF15/42
AUTHOR	Financial Services Manager

INTRODUCTION

Council's Financial Reports for the year ended 30 June, 2015 have been completed and in accordance with Section 418 (1) of the Local Government Act are now presented to the public.

Public Notices advising of this meeting were placed in the Leeton Irrigator on the 29 September and 2 October 2015.

In accordance with Section 420 of the Local Government Act 1993, any person may make a submission in writing with respect to Council's Audited Financial Reports or the Auditor's Report. The closing date for submissions is the 14 October 2015. Copies have been placed on public display at the Leeton Administration Building, Leeton Library and Whitton Post Office. A PDF copy can also be downloaded from Council's website.

Council's Auditor, Crowe Horwath Albury will be attending the Council meeting to be held on 25 November 2015 to present the Audit Reports and answer any questions in respect of the conduct of the Audit. Mr Bradley Bohun, the Audit Partner has indicated that he will be representing Crowe Horwath at that meeting.

COMMENT

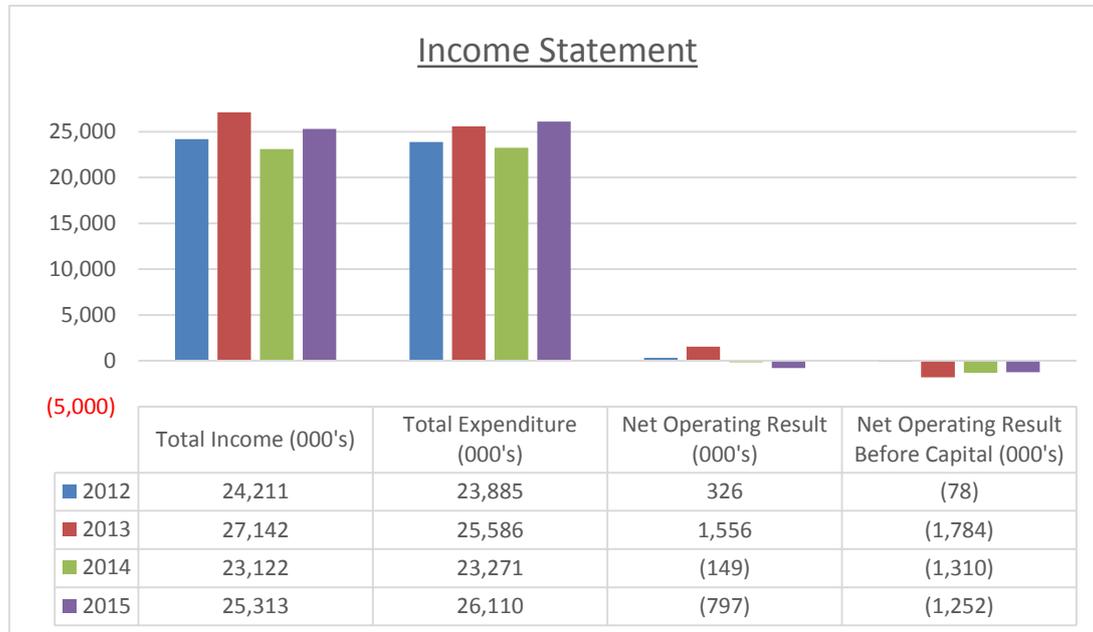
Following the issue of the Audit Reports to Council, Council's completed Financial Reports were lodged with the Office of Local Government on the 18 September 2015. In lieu of a large attachment to this report, paper copies of the Financial Reports containing the Audit Reports were distributed to Councillors prior to the meeting.

Council is required to have audit reports issued in respect to the General Purpose Financial Reports (consolidated entity), Special Purpose Financial Reports (national competition policy compliance, water and sewer) and the Council's Permissible General Income Return (Special Schedule 9, reports compliance with rate pegging limit).

Council received unqualified Audit Reports in respect each of these matters.

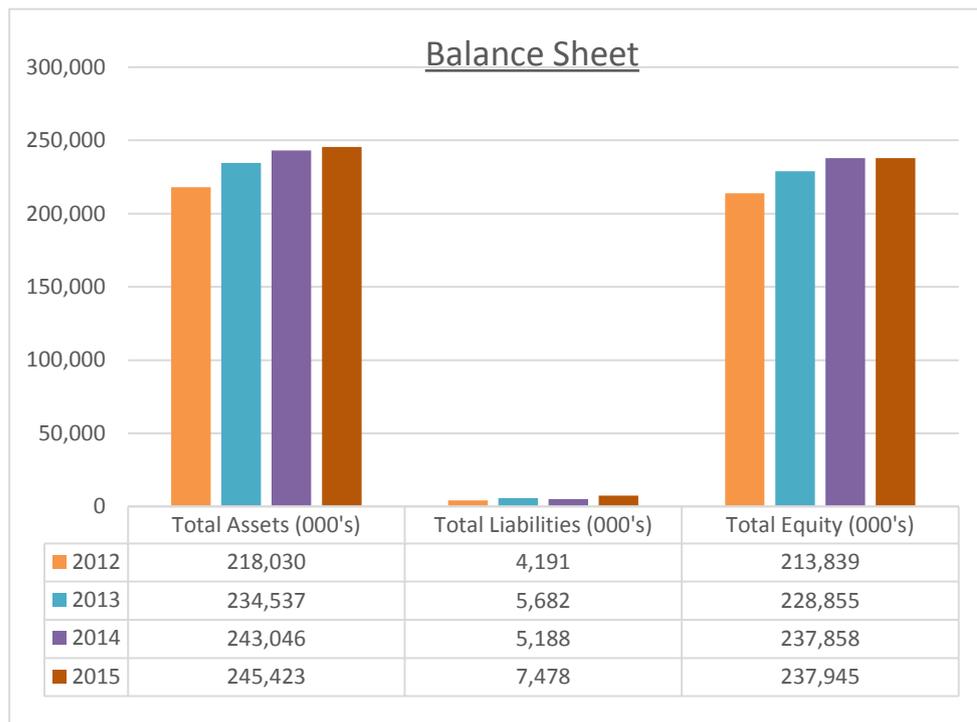
The Auditor will present a detailed presentation regarding the conduct of the Audit at the meeting on 25 November 2015.

A summary of major comparative data over the past 4 reporting years are shown below:



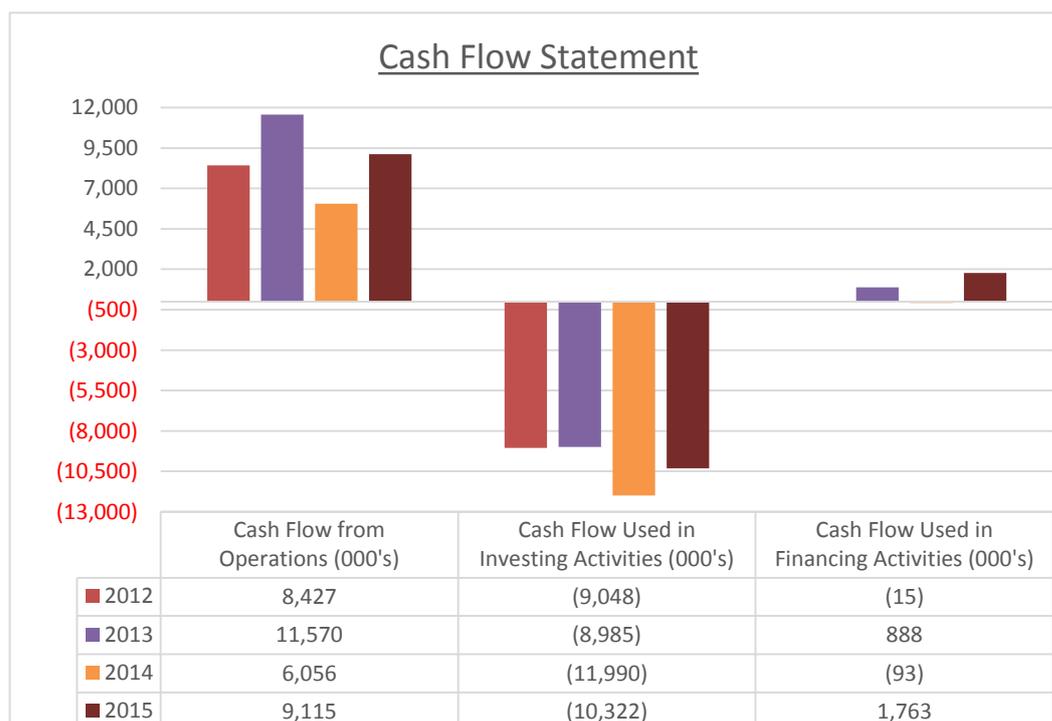
This graph illustrates the Council's Consolidated Income, Expenditure and Operating Result over the past 4 years. The 2015 Operating Result was impacted by \$2.3M of accounting losses arising from the sale of assets including the Tubemakers Building and the Caravan Park. If these one off losses are excluded the consolidated operating result before capital would have been a \$1.06M surplus. In 2014/15, there was no longer any timing differences caused by the prepayment of Financial Assistance Grants for future years. This resulted in the 2014/15 reported Financial Grants revenue increasing by approximately \$2M over the 2013/14 level.

Overall the Consolidated Operating Result was satisfactory however the contribution to this result by the Water and Sewer Funds was minimal. This indicates that Council needs to continue to work on measures to improve the operational results of those funds (individual fund results are shown at Note 21).

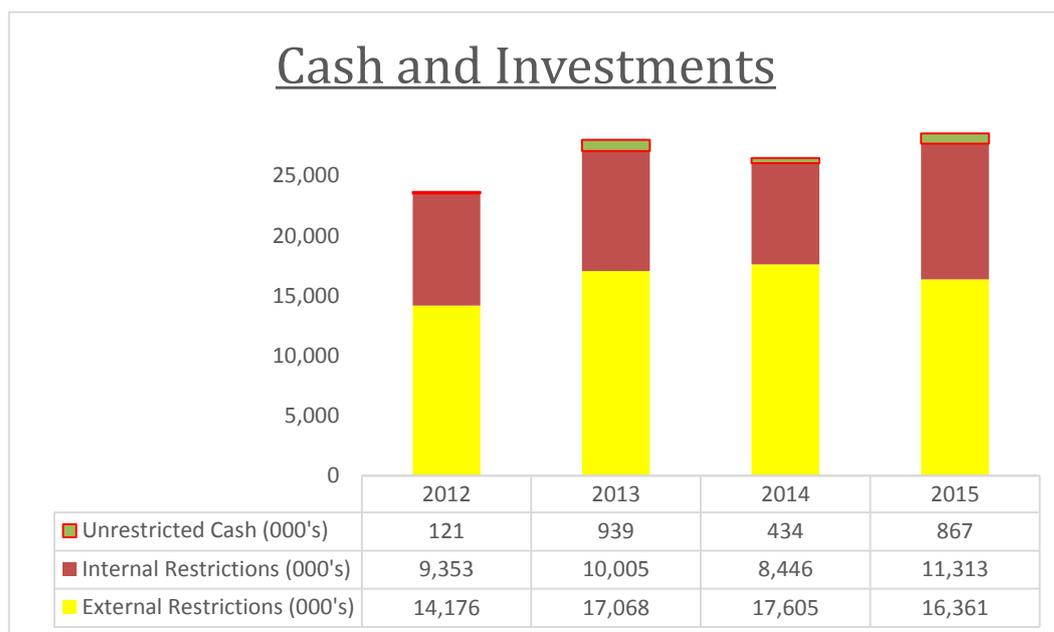


Council's Net assets at 30 June 2015 were \$237.9M. This includes Property Plant and Equipment of \$211.7M (Note 9). Council has a very low level of debt and this is reflected in the small amount of liabilities held on the balance sheet. All current debt has been supported by successful applications for grants under the Local Infrastructure Renewal Scheme (LIRS).

Council drew down two loans of \$1M each during 2014/15. These loans were for the Petersham Road precinct works and the No 1 Oval Changerooms redevelopment.



Council continues to generate strong cash flow from its operations with over \$9.1M generated in 2014/15. These funds are used to renew, refurbish and replace Community Assets that are used to provide services. Cash payments in respect of the construction and purchased of Infrastructure, Property and Plant & Equipment amounted to \$9.1M. As noted previously \$2.0M of this funding was sourced from new loan funds.



Council Cash and Investments levels remain strong at \$29.5M at 30 June 2015. This is outlined at Note 6. It should be noted that the majority of these funds are held in the form of external restrictions, with \$16.4M in that category. As is noted on Council's Monthly Investment Reports, external restrictions consist of funds raised through special purpose charges such as water, sewer, domestic waste and storm water management. These funds can only be spent for the purpose they have been raised. External Restrictions also include unexpended specific purpose grants that must be used for the purposes specified in the funding agreement and unexpended loans.

Internal restrictions are those that have been resolved by Council and include funds required to meet specific liabilities such as employee leave entitlements. (ELE). Internal restrictions may be varied by Council and this is usually done through the quarterly budget review, annual operational plan and adoption of financial statement processes.

It should be noted that Council's unrestricted cash increased from \$434K at 30 June 2014 to \$867K at 30 June 2015. This figure can vary depending upon creditor and debtor levels at the reporting date. The level held at 30 June 2015 was considered satisfactory given Council's level of payables of \$960K (refer to Note 10).

Council allocated a further \$300K to the Pool restriction which now stands at \$1.1M. This is considered a prudent move given the future need to renew the Leeton Pool. A Workers Compensation equalisation restriction was established with a balance of \$200K. This is in accord with a resolution of Council in 2014. This restriction will be used to even out any volatility with the workers compensation premiums.

It should be noted that the infrastructure restriction stood at \$3.2M at 30 June 2015. This is up from \$1.6M at 30 June 2014. A significant contributor to this was the proceeds from the sale of the Tubemakers building and the Caravan Park. This restriction places Council in a good position to undertake future asset renewals as required by the Infrastructure Asset Management Plans. It also allows Council to exercise some flexibility in prioritising future Infrastructure needs.

Council's ELE restriction stands at \$1.97M at 30 June 2015. This provides coverage for 74.7% of the combined Annual Leave and Long Service Leave provisions of \$2.64M. This is substantially in excess of the minimum recommended industry coverage of 25%. With an experienced and long serving workforce it is considered that a restriction in excess of the minimum level is required. This is also considered prudent in the context of possible Council reform arising from the Fit for Future determinations. Council closely monitors its leave liability levels to ensure that it does not increase to very high levels which can have implications for both workflow and funding.

Readers of the Financial Reports are encouraged to look at the ratios in Note 13 and the infrastructure indicators shown at Special Schedule 7. These give more detail in relation to Council's trend in regard to some key measures that are used as Fit for the Future Benchmarks.

RELATIONSHIP TO INTEGRATED PLAN

Council's Financial Statements relate to Strategy 34E in the Delivery Program - Ensure compliance with all relevant Acts and regulations that apply to Local Government.

Completion of Council's Financial Statements and Audit Reports within the strict time frames is a primary compliance task involving a significant amount of resources provided by staff and other stakeholders.

CONSULTATION

General Manager, Directors and Managers, Auditor.

Public submissions can be made either by written submission to Council or by email to council@leeton.nsw.gov.au.

Submissions must be received by close of business Wednesday 14 October 2015.

RECOMMENDATION

That the 2014/15 Financial Statements and Auditors Reports be received.

ATTACHMENTS

There are no attachments for this report.

ENVIRONMENTAL AND COMMUNITY SERVICES MATTERS

ITEM 1 USE OF FORMER BROBENAH WASTE DEPOT

RECORD NUMBER	15/258
RELATED FILE NUMBER	EF10/484
AUTHOR	Director Environmental and Community Services

INTRODUCTION

Council has recently received an expression of interest for securing the use of part or all of the closed landfill on Brobenah Hall Road.

The purpose of this report is for Council to receive a presentation from the Leeton Motorcycle Club (LMC) on their proposal to use part of this site to extend and redevelop their current site in order to attract larger events.

BACKGROUND

The closed Brobenah Waste depot site comprises of Lot 277 (3.72 Ha) and Lot 278 (32.84 Ha) and was for a large number of years used for the disposal of solid waste and night soil. The entire site (Lots 277 & 278) was purchased by Council from the Crown in 1994.

In 1985 Council resolved to allocate part of Lot 277 to the Leeton Motorcycle Club for the purposes of a motorcycle track and in 1992 agreed to also extend the area allocated to the Leeton Motorcycle Club to include the buildings on Lot 277. Council agreed in 1998 to extend the area used by the LMC into Lot 278.

COMMENT

The Leeton Motorcycle Club formally wrote to Council on 9 September 2015 seeking Council approval for "*an extension of the Leeton Motorcycle Club's boundaries to enable out continued racing program and to facilitate the hosting of state-based events*". This letter was accompanied by a proposed plan indicating the adjustments to the existing boundaries that they are seeking. A copy of their proposal is attached for information.

It must be advised, that whilst the proposed extension is contained within Lot 278, it does encroach upon the area that in the past has been used for aviation activities and the impact of this extension has not yet been discussed by Council with the Brobenah Aerodrome Committee.

Given this matter it is considered appropriate that Council should receive a further report at the November ordinary meeting which will permit discussion to occur with the users of the Brobenah Aerodrome.

RELATIONSHIP TO INTEGRATED PLAN

Strategy 7 - Maintain and expand current services on offer at public facilities by seeking opportunities to host regional and state sporting events.

Strategy 19 – Encouragement of visitation and widespread promotion of our areas of interest, by support and promote local events to a wider audience by strategic promotion.

FINANCIAL IMPACT STATEMENT

Nil

CONSULTATION

Council staff met with representatives of the Leeton Motorcycle Club.

If the recommendation to this report is supported, Council staff will consult with the Aerodrome. It should be noted that other neighbours will also be consulted at a later date if this proposal is supported by Council and a development application is lodged.

RECOMMENDATION

That Council;

1. Suspend Standing Orders to permit a presentation from the Leeton Motorcycle Club on their proposal to extend their existing site.
2. Resolve that a further report be submitted to the November Council meeting following consultation with the Brobenah Aerodrome Committee before Council formally considers the request from the Leeton Motorcycle Club to extend their current site.

ATTACHMENTS

- 1 Letter dated 9 September 2015 from the Leeton Motorcycle Club.

Leeton Shire Councillors
Leeton Shire Council
23 Chelmsford Place
Leeton
NSW 2705

09 September 2015

Dear Councillors,

RE: FORMAL REQUEST FOR LAND USE EXTENSION



Leeton Motorcycle Club was formed in 1981 by a small group of short circuit racers and tourers who wanted to establish a track in Leeton to race and train on. With the support of Leeton Shire Council at the time, the Leeton Motorcycle Club was given use of a parcel of land on Brobenah Hall Road and the Leeton Motorcycle Club was born. Today, the club is one of Leeton's most successful self-funded sporting organisations and one which makes a significant contribution to the shire of Leeton via local investment, funds raised for charity, as well as tourism and related expenditure.

I am writing to you on behalf of our 243 members to formally request an extension of the Leeton Motorcycle Club's boundaries to enable our continued racing program and to facilitate the hosting of state-based events, which have significant potential to attract further tourism investment. We are aware a private business is interested in the land immediately adjacent to the Leeton Motorcycle Club. Should this business be granted access to this land, it would negatively impact the club's operations and prevent us from realising this goal for our members and the people of Leeton. This letter outlines the club's contribution to the Leeton community, our current and proposed land use, and the benefits arising from our continued successful operation in the shire.

Leeton Motorcycle Club – a 35 year contribution

Over the past 35 years the Leeton Motorcycle Club has grown in size to become an integral part of the Leeton community. The increasing popularity of motocross as a sport across Australia, and especially in New South Wales, means that there are now over 800 licensed tracks in New South Wales alone. With the enthusiastic support of its members and local businesses, Leeton Motorcycle Club has grown and continually reinvested in its facilities. From what was a disused piece of land, goods and materials to the value of \$500,000 have been invested in the track, clubhouse and canteen leading to Leeton Motorcycle Club being voted "Best Motorcycle Club in New South Wales" in 2008. The Leeton Motorcycle Club also operates a rider training program ensuring that young riders can learn to participate in sport motocross with safe and supervised training on an approved track.

Today, the Leeton Motorcycle Club has over 200 members, which rivals any sporting club in town. The Leeton Motorcycle Club is entirely self-funded and, unlike other sporting clubs in town, has never relied on Council's financial support. Unlike other sporting clubs, membership fees at the club are kept extremely low, enabling the widest possible participation for members in our community. Indeed we have members from every walk of life who come to the club to share their passion for a common interest. Our club has a very active race calendar, principally for young riders and their families. Older members of the club tend to participate in social rides and charity rides.

Financial contribution to Leeton tourism and businesses

With its active race calendar, Leeton Motorcycle Club hosts riders from all over New South Wales on race days. Typically there are between 150 and 250 entrants to these events, each rider bringing an additional two - three people with them to Leeton; most requiring accommodation. This is in addition to spectators who come and view these events, which are free to the general public. These events attract significant amounts of money being spent in Leeton, spanning food and sundries, fuel, accommodation and other expenses. In addition, the club obtains all the materials for these events from local businesses in Leeton Shire.

While the Leeton Motorcycle Club is a not-for-profit organisation, prudent financial management allows us to proudly support local charity events and invest locally. Over the last 10 years we have donated approximately \$50,000 to local charities and spent \$200,000 with local businesses.

Current and proposed land use and benefits

As a successful and proven motorcycle club, we now have the opportunity to host New South Wales State Title events. This would result in a substantial boost in our level of participation, as well as significantly raising the profile of Leeton in the motorcycle racing community and bringing additional revenue to town. State title events routinely attract 250 riders, plus support personnel and spectators, meaning a potential influx of several thousand people to Leeton for these events. These visitors would be in addition to those we attract through our current racing program.

Running state title events would require an upgrade of our facilities. Racing New South Wales has informed us that the current 1350 metre track is both too short and too tight. Requirements are for a 1600 metre track, with wide-open corners, a 40 bike starting gate and the requirement for semitrailer parking in the pit area.

As you can see from the attached map image, the Leeton Motorcycle Club has squeezed every square inch out of the available space to us. In 2005 Brian McKellar, who was then Director of Environmental and Community Services, made a verbal agreement with the club enabling it to operate outside its current boundaries to extend the pit and track area. This is visible in the attached map.

To enable us to secure New South Wales State Title events, we require a significant expansion of the boundaries of the motorcycle club currently, also outlined in the map attached. While this will require Leeton Shire Council's partnership, the potential benefits to Leeton and our community in terms of prestige and business are significant.

Formal objection to private business use of the land adjacent to the club

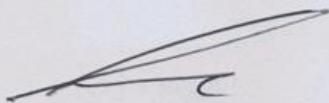
As outlined earlier, we are aware that a private business is interested in the land immediately adjacent to the club. Unlike Leeton Motorcycle Club, this is a for-profit business that does not share our history of supporting Leeton or our track-record in providing tangible financial benefits for our community.

As you may be aware, our club counts amongst its members many of Leeton's most successful business people. We suggest that the private business involved has options open to it other than this particular parcel of land and we ask that you consider the contribution the Leeton Motorcycle Club has made both socially and financially to the Leeton and it's community over the past 35 years and:

- Reject the private business's request to access this land; and
- Grant Leeton Motorcycle Club a significant increase in our current boundaries as outlined in this letter.

We welcome the opportunity to discuss this with you in more detail, including providing a full briefing to Councillors and management. We can be reached at 0418696775 (Lionel Weston) or 0428874859 (Dan Pettersson).

Yours sincerely,



Lionel Weston
President, Leeton Motorcycle Club
On behalf of the members of the Leeton Motorcycle Club.



Dan Pettersson
Secretary, Leeton Motorcycle Club

CLOSED COUNCIL - CONFIDENTIAL ITEMS

1. PHOTON ENERGY DEVELOPMENT PROPOSAL

It is recommended that the Council resolve into Closed Council with the press and public excluded to allow consideration of this item, as provided for under Section 10A(2) (d) of the Local Government Act, 1993, on the grounds that the report contains commercial information of a confidential nature that would, if disclosed (i) prejudice the commercial position of the person who supplied it; or (ii) confer a commercial advantage on a competitor of the Council; or (iii) reveal a trade secret.

2. CONTRACT NO 1-15/16 TENDER TO CONSTRUCT LEETON WASTE DISPOSAL TRENCH

It is recommended that the Council resolve into Closed Council with the press and public excluded to allow consideration of this item, as provided for under Section 10A(2) (d) of the Local Government Act, 1993, on the grounds that the report contains commercial information of a confidential nature that would, if disclosed (i) prejudice the commercial position of the person who supplied it; or (ii) confer a commercial advantage on a competitor of the Council; or (iii) reveal a trade secret.