

## Strategy and Assets Committee

**Meeting Date:** Tuesday, 20 February, 2018  
**Location:** Council Chambers, City Administrative Centre, Bridge Road, Nowra  
**Time:** 5.00pm

**Membership** (Quorum - 5)  
Clr John Wells - Chairperson  
All Councillors  
General Manager or nominee

## Addendum Agenda

### Reports

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### Confidential Reports

CSA18.3	Tenders – Confidential Report - Replacement of Moona Moona Creek Timber Bridge  <i>Local Government Act - Section 10A(2)(d)(i) - Commercial information of a confidential nature that would, if disclosed prejudice the commercial position of the person who supplied it.</i>  <i>There is a public interest consideration against disclosure of information as disclosure of the information could reasonably be expected to reveal commercial-in-confidence provisions of a contract, diminish the competitive commercial value of any information to any person and/or prejudice any person's legitimate business, commercial, professional or financial interests.</i>	
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## SA18.39 Tenders - Report - Replacement of Moona Moona Creek Timber Bridge

HPERM Ref: D18/33810

Group: Assets & Works Group  
Section: Project Delivery & Contract

### Purpose / Summary

To inform Council of the tender process for Replace of Moona Moona Creek Timber Bridge.

In accordance with Section 10A(2)(d)(i) of the Local Government Act 1993, some information should remain confidential as it would, if disclosed, prejudice the commercial position of the person who supplied it. It is not in the public interest to disclose this information as it may reveal commercial-in-confidence provisions of a contract, diminish the competitive commercial value of any information to any person and/or prejudice any person's legitimate business, commercial, professional or financial interests. This information will be considered under a separate confidential report.

MIN17.334

*That Council:*

- 1. Delegate authority to the Strategy & Assets Committee to determine and accept all tenders with a value of \$1M or more, except those tenders required by law to be determined by full Council;*
- 2. Delegate authority to the General Manager to determine and accept any tenders with a value less than \$1M except those tenders required by law to be determined by full Council; and*
- 3. Delegate authority to the General Manager to determine and accept any tenders initiated by the Illawarra (Pilot) Joint Organisation (IPJO) on behalf of all or a majority of member councils.*

### Recommendation (Item to be determined under delegated authority)

That Council note the submissions received for Tender 56497E - Replacement of Moona Moona Creek Timber Bridge on 14 December 2017 and consider the assessment of these tenders as a separate confidential report in accordance with Section 10A(2)(d)(i) of the Local Government Act 1993.

### Options

1. Consider the separate confidential report.
2. Council could defer this matter for consideration at a later date with more information.

SA18.39

**Details**

Council called tenders for the Replacement of Moona Moona Creek Timber Bridge on 15 November 2017, which closed at 10:00am on 14 December 2017. Three (3) tenders were received at the time of closing.

**Tenders Received**

Tenders were received from the following companies, shown below in alphabetical order:

<b>Tenderer</b>	<b>Location</b>
Bridgeworks Pty Ltd	Surry Hills, NSW
Hisway Pty Ltd	South Nowra, NSW
JK Williams Contracting Pty Ltd	Penrith, NSW

Details relating to the evaluation of the tenders are contained in the confidential report.

**Community Engagement:**

Prior to the works commencing, a media release will be issued, adjoining property owners notified, and variable message boards erected to indicate the pending works.

**Financial Implications:**

\$750,000 has been allocated from Council's General Fund revenue and \$750,000 has been awarded from the Federally-funded Bridge Renewal Grants Programme. A total of \$1,418,000 of this is remaining.

## SA18.40 Holiday Haven Financials

HPERM Ref: D18/10507

Group: Assets & Works Group  
Section: Business & Property

### Purpose / Summary

At the ordinary meeting on the 28 November 2017 Council resolved as follows;

*“that a report be prepared on the capacity of Holiday Haven profits being used for the upgrade of infrastructure on Crown land reserves in the Bendalong/Manyana area.”*  
MIN17.1011 (Part 2)

This report is in response to the Council resolution

### Recommendation (Item to be determined under delegated authority)

That Council note the report on the capacity of Holiday Haven profits being used for the upgrade of infrastructure on Crown land reserves in the Bendalong/Manyana area, and that the Holiday Haven tourist park at Bendalong made a gross profit of \$443,596 in 2016/17 and has a profit forecast in the amount of \$438,900 in 2017/18.

### Options

- 1 Adopt the recommendation

IMPLICATIONS – Council will continue to allocate funds for the operation of tourist parks on Crown land reserves as well as be able to maintain vast areas of Crown land reserves within the local government area.

- 2 Adopt the recommendation and;

Resolve that the General Manager prepare a Capital Works priority list identifying the allocation of funds for the upgrade of infrastructure on Crown Land in the Bendalong/Manyana area and that ballpark estimates for such upgrades be prepared so that the priority list can be considered by Council as soon as possible.

IMPLICATIONS – if Council funds additional infrastructure upgrades on Crown Land in the Bendalong/Manyana area using Holiday Haven profits, there will be a corresponding reduction in expenditure on Crown reserves in the Shoalhaven LGA, unless the General Fund allocation to Crown Lands increases.

### Background

Holiday Haven Operations within the Shoalhaven are located on Crown Land. Council, in its role as reserve trust manager under the Crown Lands Act 1989, is obliged to ensure that income derived from a particular reserve is spent on Crown land reserves and such expenditure can include costs associated with administration, maintenance and capital improvement.

Historically the income from Crown Lands does not cover the Operational and Capital costs each year and so Council has invested in Crown Land improvements by making “top up” allocations from the General Fund as follows;

2016/17 - \$1,791,262  
2015/16 - \$360,545  
2014/15 - \$614,434

The distribution of all revenues from Holiday Haven and other facilities on Crown lands for the 17/18 financial year is set out in Chapter 5 of Council's adopted Integrated Strategic Plan. “Crown Lands Crown Land Estimated Income and Expenditure 2017/18”

	OPERATING INCOME	OPERATING EXPENDITURE	NET OPERATING RESULT	CAPITAL WORKS - REVENUE FUNDED	NET COST OF SERVICES
Cemeteries	\$1,832,946	\$1,531,963	\$300,983	\$129,780	\$171,203
Communications & Electrical	\$787,892	\$371,998	\$415,894		\$415,894
Council Buildings & Property	\$162,470	\$1,096,970	-\$934,500	\$1,954,800	-\$2,889,300
Parks & Reserves	\$189,633	\$1,914,719	-\$1,725,086	\$271,240	-\$1,996,326
Swim & Fitness	\$1,399,797	\$2,544,476	-\$1,144,679	\$137,700	-\$1,282,379
Tourist Parks	\$23,058,451	\$14,633,834	\$8,424,617	\$3,557,471	\$4,867,146
Waterways, Coastal & Floodplain	\$121,331	\$692,581	-\$571,250	\$597,947	-\$1,169,197
<b>TOTAL</b>	<b>\$27,552,520</b>	<b>\$22,786,541</b>	<b>\$4,765,979</b>	<b>\$6,648,938</b>	<b>-\$1,882,959</b>

Operating and capital expenditures in relation to Crown Land will exceed total revenues from Crown Land by an estimated \$1.88M for 2017/18.

Currently Council manages the income and expenditure from Crown Lands on a “Whole of Council” basis seeking to achieve the most efficient spend and investment across the Council area.

A deviation from this practice whereby income is “quarantined” to a particular area such that it can only be expended in that area can have broad and long-term implications and this has not been explored in this report.

Irrespective of the above, the revenue profits from the Tourist Park are generally offset (or close to) by expenditures on other reserves in the area.

The Holiday Haven tourist park at Bandalong made a gross profit of \$443,596 in 2016/17 and has a profit forecast in the amount of \$438,900 in 2017/18.

Normal Maintenance on Crown Lands within the Bandalong/Manyana area is approximately \$137k pa

The budget for the toilet replacement at Bandalong Boat ramp is \$162,000

## SA18.41 Better Boating Now - Round Two Grant Funding

HPERM Ref: D18/34421

Group: Assets & Works Group

Section: Asset Management

### Purpose / Summary

To report on the results of Council's applications for funding under Round Two of the NSW Better Boating Funding Program.

### Recommendation (Item to be determined under delegated authority)

That:

1. Council accept the grant offers from NSW Transport (RMS) of \$400,000 for upgrading of the Woollamia Regional Boat Launching Ramp.
2. Council authorise the General Manager to negotiate with RMS for the \$400,000 grant offer identified for a new facility at Lake Conjola to be spent on alternative boating facilities as nominated by the grant priority list adopted at Council's meeting of 15th August 2017 (MIN17.696).
3. Council acknowledge the petition of 373 signatures forwarded from the Callala Bay Community Association and advise the Association that upgrading of the Callala Bay Boat launching ramp remains a high priority for future grant funding opportunities.
4. Council continue to seek funding opportunities for full funding of a new boat launching ramp facility at Havilland Street West Lake Conjola.

### Options

1. Accept the recommendation

#### Implications:

- a) Acknowledges that council cannot provide the \$1.3M shortfall for a new asset at this stage.
- b) Requires the de-scoping of the Woollamia facility to meet available budget.
- c) Disappointed community at Lake Conjola.
- d) Project scope for alternative projects may need to be reduced so as to be affordable within budget
- e) RMS have verbally advised that they support the recommendation

2. Accept the grant offer for Lake Conjola.

Implications: \$1,336,349 will need to be included in the 2018/19 budget to fund the expected shortfall. To stay within the parameters established in council's SRV application another project of similar cost should be deleted or deferred.

3. Negotiate with RMS for funding allocated for the Conjola project to be spend on revisiting the strategy of providing a new Greenfields facility at Havilland Street West Conjola (subject to community consultation) and allocate the grant funding on improving existing boat launching facilities at Lake Conjola that could include investigating the option of providing free public access to the existing private boat launching facility (and parking ) at Killarney

Implications: Risk of community dissatisfaction

## Background

Council at its meeting on 15 August 2017 resolved that the following projects (in priority order) be submitted for Round Two of the Better Boating Now Program:

Priority	Description	Estimated Cost	Funding sought
Completion of uncompleted Round One projects due to budget shortfall			
1	Woollamia Regional Boat Ramp – additional 3rd ramp and dividing finger pontoon	\$730,000	\$ 699,000
Projects identified and unfunded in Round One of the Regional Boating Plan			
2	Shoalhaven Heads - Wharf Road Boat Ramp upgrade and provision of a dividing pontoon	\$750,000	\$719,000
3	Callala Bay Boat Ramp (Ramp widening plus dividing walkway)	\$500,000	\$469,000
4	Myola Boat Ramp (Ramp widening plus dividing pontoon plus carpark sealing	\$600,000	\$569,000
Projects that are shovel ready (design completed)			
5	Berringer Lake Foreshore Reserve	\$200,000	\$190,000
6	New facility Havilland Street Lake Conjola (Stage One)	\$1,909,979	\$1,716,349
7	Greenwell Point Effluent Pump out facility & floating pontoon	\$200,000	\$190,000
<b>Total</b>		<b>\$5,359,979</b>	

In response to Council's funding applications for 7 projects, RMS have recently advised of a funding offer for 2 only projects being:

- Upgrade Woollamia Regional Boat Launching Ramp - \$400,000
- Install Boat Launching Facility at Lake Conjola - \$400,000

SA18.41

## Community Engagement

A user meeting was held at the Woollamia Boat Ramp on 24 January 2018, which was attended by approximately 25 people. Stage One works (new pontoon) completed in December 2017 has been well received by users. There is currently user agreement on the possible scope of works for the round 2 grant funding offer

The Lake Conjola Project is 95% shovel ready with detailed design completed and a draft REF prepared (subject to completion of a traffic study). This project has strong community and user support. Possible budget constraints/affordability was identified as a significant issue at the community consultation project meeting held on 16 November 2016.

An unsolicited petition via the CCB has been received in relation to the need to upgrade the Callala Bay Boat Launching Ramp. The petition states that “The poor and dangerous design causes difficulty launching and recovering of vessels and that has also resulted in damage to vessels. The ramp is of poor design. Embarking and disembarking from a vessel at the wharf is quite difficult.”

Recent media coverage has also highlighted similar issues with existing boat ramps in the Burrill Lake area.

## Policy Implications

NIL

## Financial Implications

A summary of the grant offers is shown below :

Project	Project Estimate \$	* Council Contribution \$	Funding Offer \$	Comment	Shortfall \$
Woollamia	730,000	31,000	400,000	Project scope can be reduced to meet budget	No shortfall with a reduced project scope
Conjola (Stage one)	1,736,349	51,000	400,000	Scope cannot be decreased. Stage One scope includes 22 car and trailer spaces. Toilet facilities not funded.	1,336,349

\*Council's contribution is identified in the 2017/18 budget and is open to negotiation with RMS