



**Murrindindi**  
Shire Council

# Scheduled Meeting of Council

## Agenda

Wednesday 28 August 2024  
Alexandra Council Chambers  
28 Perkins Street  
6:00 PM

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## 1 ACKNOWLEDGEMENT OF COUNTRY AND COUNCILLORS' PLEDGE

### 1.1 Acknowledgement of Country

The meeting will be opened with the Mayor reading the following on behalf of the Murrindindi Shire Council:

“Murrindindi Shire Council is proud to acknowledge the Taungurung and Wurundjeri people as the traditional custodians of the land we now call Murrindindi Shire.

We pay our respects to their Elders past, present and emerging, who are the keepers of history, traditions, knowledge and culture of this land.”

### 1.2 Councillors' Pledge

“The Councillors, democratically elected to represent our community as the Murrindindi Shire Council, are committed to working together in the best interests of the people who live in our municipality, those who conduct business here and those who visit.”

## 2 PROCEDURAL MATTERS

### 2.1 Privacy Note

This public meeting is being streamed live via our Facebook page and website. A recording of the meeting along with the official Minutes of the meeting will also be published on our website.

### 2.2 Apologies and Request for Planned Leave

Nil.

### 2.3 Disclosure of Interest or Conflict of Interest

In accordance with section 130 (1)(a) of the *Local Government Act 2020* Councillors are required to disclose any “conflict of interest” in respect of a matter to be considered at a Council Meeting.

Disclosure must occur immediately before the matter is considered or discussed.

### 2.4 Confirmation of Minutes

Minutes of the Scheduled Meeting of Council held on 24 July 2024.

## RECOMMENDATION

**That Council confirm the minutes of the 24 July 2024 Scheduled Meeting of Council.**

### 2.5 Petitions

Petitions received will be tabled at the Scheduled Meeting of Council.

## 2.6 Community Recognition

Council may suspend standing orders to thank and acknowledge particular community achievements.

## 2.7 Matters Deferred from Previous Meeting

Council may resolve to defer a matter to a future meeting for consideration for various reasons. Where a matter has been previously deferred it will be tabled for consideration under this section.

## 2.8 Urgent Business

Council may by resolution admit an item of urgent business only if:

- a. it relates to or arises out of a matter which has arisen since distribution of the Agenda; and
- b. deferring the item until the next Meeting will mean a decision on the item will not have any effect on the matter; or
- c. the item involves a matter of urgency as determined by the Chief Executive Officer; and
- d. it cannot be addressed through an operational service request process.
- e. Provided the matter does not:
  - i. substantially affect the levels of Council service
  - ii. commit Council to significant expenditure not included in the adopted budget
  - iii. establish or amend Council Policy.

## 3 PUBLIC PARTICIPATION

### 3.1 Open Forum

Section 8 of the *Governance Rules 2020* allows for Community Participation in Council Meetings. Open Forum is an opportunity for the general public to present to Council on a matter listed on the Agenda or any other matter.

### 3.2 Questions of Council

Questions of Council are an opportunity for the general public to submit a question prior to the Scheduled Meeting and receive a response from Council in the Questions of Council time.

## 4 REPORTS - COMMUNITY & DEVELOPMENT GROUP

### 4.1 Presenting the Flowerdale Community Plan

Department	Community Wellbeing
Presenter	A Paxton, Director Community & Development
Approved by	Director Community & Development
Purpose	For noting
Attachment(s)	1. Attachment 1 - Flowerdale Community Plan 2024-2029 [4.1.1 - 12 pages]

## Executive Summary

Council officers have worked with the Flowerdale community to develop the Flowerdale Community Plan, led by a Core Team from the Flowerdale community through a series of local workshops. The purpose of this report is for the Flowerdale Community Plan to be presented to Council for noting.

## RECOMMENDATION

**That Council note the Flowerdale Community Plan as contained in Attachment 4.1.1.**

## Background

Following a community-led design process in 2018, Council's community planning program has been offered in a number of communities around the Shire: Yea, Marysville, Toolangi-Castella, Eildon, Thornton and Glenburn. In 2023, Council resolved to focus on Flowerdale for the next community planning opportunity.

## Discussion

Building on the learning from the previous work in community planning, the first activity in Flowerdale was the formation of a Core Team of local people, to guide the process and ensure strong local ownership from the beginning. Five community members volunteered to be part of this guiding group.

The Core Team has remained essential to the running of the program throughout the subsequent months and the full complement of five original members remains in place today. The Core Team guided all engagement activities that led to the content of the Plan, including planning of and participation in the following key events:

- The community BBQ to launch the program, held on Sunday 18 February 2024 at the Flowerdale Recreation Reserve/Sports Club, with around 80 community members in attendance.
- The series of three 'Community Conversations' held in April 2024 at the Flowerdale Community House and the Flowerdale Hall.
- The community dinner and prioritisation session held on Friday 10 May 2024 at the Flowerdale Recreation Reserve/Sports Club with more than 60 community members attending and actively participating in determining the priorities for the Plan and the formation of Action Teams to implement priorities.

The Core Team also led the drafting and design of their Plan, and the processing of feedback from community review of the draft, enabling the draft Plan to be finalised as presented.

The priorities listed in the Plan are:

- Football goal posts at the cricket ground
- Strengthen and support the existing 'Clean Up Australia' activities
- 'Food for Flowerdale'
- Revive the annual Community Day
- More arts and arts-related activities around Flowerdale
- More sports and social events at the Recreation Reserve
- BMX track working group
- Form an advocacy group to lobby for hard rubbish collection.

Action Teams have already started implementing some of these priority projects including the annual Community Day, arts activities and 'Food for Flowerdale'.

The Flowerdale Community Plan will be 'held' by the Flowerdale Community House. This ensures that local oversight and ownership of the Plan is cemented into an existing group in the community. This ongoing ownership is important for the sustainability and ongoing implementation of any community plan and it is pleasing that this has landed very naturally in Flowerdale.

### Council Plan/Strategies/Policies

This report supports the *Council Plan 2021-2025 Resilient Communities* strategic objective to “deliver support and promote opportunities for all people to connect with each other, collaborate and plan for our future”.

### Relevant Legislation

*Local Government Act 2020.*

### Financial and Risk Implications

There are no direct financial implications for Council associated with noting this Plan. However, as community groups begin implementing the priorities outlined in the Flowerdale Community Plan, there may be impacts on staff time as we support community with their projects.

### Conflict of Interest

There were no conflicts of interest declared by Council officers in relation to the matters contained in this report.

### Community, Stakeholder and Communication Consultation

Extensive community consultation has taken place in the Flowerdale community through the development of the Flowerdale Community Plan. Most recently, the draft Plan has been circulated for community review.

## 4.2 Dindi Events Proposal

Department	Economic Development
Presenter	B Harnwell, Manager Economic Development
Approved by	Director Community & Development
Purpose	For decision
Attachment(s)	<ol style="list-style-type: none"> <li>Attachment 1 - Dindi Events Proposal (Aug 2024) [4.2.1 - 20 pages]</li> <li>Attachment 2 - Murrindindi Event Impact Analysis Alexandra Speedway [4.2.2 - 12 pages]</li> <li>Attachment 3 - Spend Mapp - Impact Data Analysis - Event - Truck Show 2023 [4.2.3 - 17 pages]</li> <li>Attachment 4 - Alexandra Truck Ute Show 2024 Event Impact Analysis [4.2.4 - 12 pages]</li> <li>Attachment 5 - Spend Mapp - Impact Data Analysis - Event - Alexandra Rodeo 2023 [4.2.5 - 19 pages]</li> </ol>

### Executive Summary

This report presents for endorsement the proposal from Alexandra Events for a sponsorship agreement to support the Dindi Events Program which will foster the opportunity for greater collaboration between communities and organisation who wish to organise and facilitate public events within the shire.

Alexandra Events has historically held two of the signature events in the Shire being the Truck, Ute and Rod show and the Rodeo, with Council supporting with in-kind support and cash sponsorship. The Truck Ute and Rod Show generated an increased spend in the region of \$1,645,290 (2024), whilst the 2023 Rodeo generated additional spend of \$69,385 in Alexandra. Local community groups also benefit through fund raising activities at these events. The Dindi Events proposal seeks to utilise this experience and resources to help grow a calendar of significant events across the Shire throughout the year.

The proposal includes \$30,000 in year one, plus in-kind support of \$13,000, which is a similar level of sponsorship provided to the Truck Ute and Rod Show and the Rodeo in recent years and seed funding to establish the new approach. The proposal includes for year one, a priority to establish the approach and partnerships, followed with a five-year plan to grow events and a scaling back of Council investment, with external sponsors and grants being sought.

The recognition of in-kind support to events is now included within agreements.

No additional application for sponsorship for the Truck Ute and Rod show or the Rodeo is proposed by the community organisers under this proposal.

## RECOMMENDATION

### That Council

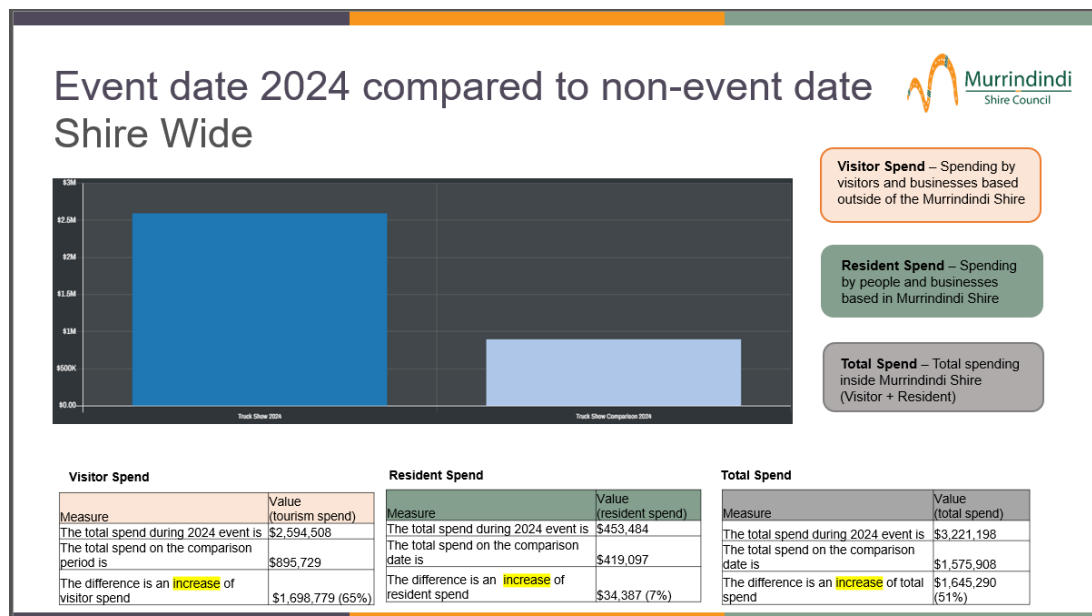
1. authorise the Chief Executive Officer to enter into a five-year agreement with Alexandra Events Corporation Limited for the establishment of the Dindi Events Program, with funding up to a maximum of:

- Year 1 \$43,000 (\$30,000 cash and \$13,000 in-kind)
- Year 2 \$38,000 (\$25,000 cash and \$13,000 plus CPI in-kind)
- Year 3 \$33,000 (\$20,000 cash and \$13,000 plus CPI in-kind)
- Year 4 \$28,000 (\$15,000 cash and \$13,000 plus CPI in-kind)
- Year 5 \$23,000 (\$10,000 cash and \$13,000 plus CPI in-kind)

2. note that the agreement will include reporting and monitoring requirements for the events and the events program.

### Background

Alexandra Events has more than 25 years of experience delivering events including some of the larger events in Murrindindi Shire. These include the Alexandra Truck, Ute and Rod Show, the Alexandra Pro Rodeo, and many others. Council Officers have assessed the benefits on the local economy through increased spend in local businesses as outlined below. Local community groups also benefit from these events through participating and undertaking further fund raising, with many advising this is their largest fund raiser for the year.



Data from Spend Map showing the changes to spending patterns through events.

The majority of events held in Murrindindi Shire are planned and delivered by locally based community organisations. Each of these organisations needs materials, equipment, personnel, knowledge, and support to deliver quality events.

Many of these organisations have reached out to Alexandra Events in the past for support and assistance and it was these requests and the concept of increasing capacity and partnering across the Shire that gave rise to the idea of a single Shire-wide program that would be able to support and grow these events.

A collaborative approach will enable shared resources, capacity building across organisations and the opportunity to increase external sponsorship collectively.

Individual groups and events would remain in control of their events, their event budgets and their direction, with support available through Dindi Events in grant writing, planning, event co-ordination and sharing of resources.

The concept of a multi-year sponsorship agreement for Dindi Events to support the planning and delivery of events across the shire, was first proposed late in 2023 and has been the subject of discussion with Councillors at briefings in late 2023, again on 15 May 2024, and on 14 August. 2024 representatives from Dindi Events presented to Council at a briefing. The multi-year funding agreement was also discussed when Council considered the sponsorship of the Truck Ute and Rod show at the 22 May 2024 Council meeting.

### **Discussion**

The proposal (Attachment 4.2.1) is seeking a five-year partnership. The proposal is for Council to provide seed-funding in cash over the five-year period with a component of recognised in-kind support for signature visitor generating events.

The year one contribution is a similar value as was sought and provided in previous years by Council through the Community Grants and Sponsorship program budget allocation, in recognition of the scale of impact these events have had, plus funds to establish Dindi Events. Ideally Council would like to see over time a reduced reliance on Council for ongoing events, whilst acknowledging the significant social and economic benefits of bringing communities together and visitors to the area.

Officers support the proposal of entering into a five-year agreement to develop Dindi Events as a collective program across the Shire, noting this will include a reduction in the Council contribution each year towards the major events.

Historically this has been funded through the Community Grants and Sponsorship program, where Council has already through the budget process approved the level of investment in this type of activity. There are two options for funding:

- Continue to fund from the Community Grants and sponsorship program or
- Fund from the tourism and events support budget allocation, noting this is historically used to attract events such as the Great Victorian Bike Ride, etc.

The proposal is supported by Officers, as many community-run events would benefit from the support from a larger entity, that not only can provide advice based on experience, but offer support through a centralised team. This could also include support with equipment and reduce the need for each organisation having to own their own equipment.

Events have a huge multiplier effect on the economy, this has been shown through reports on event via spendmapp data. An example has been included on the impact of the Alexandra



Speedway (Attachment 4.2.2) on both visitor spending on a race weekend versus and non-race weekend as well as different race events. As can be seen the increase in visitor spend is significant at 63% when compared to a non-event weekend.

The impact of the Alexandra Truck, Ute and Rod Show is significant as seen in Attachment 4.2.3 and 4.2.4 which includes the Impact Analysis for 2022, 2023 and 2024 events. Over \$2.8 million local spend is seen for the event period across the Shire with \$838,561 being spent in Alexandra alone in 2024.

The Alexandra Rodeo similarly adds an economic benefit to the Alexandra area. The 2023 Impact Analysis (Attachment 4.2.5) shows an increase in spending by \$69,385 in Alexandra area alone.

Events offer more than just an economic benefit. The Council Plan recognises the benefits of residents and communities coming together to celebrate and connect with each other. Supporting events and event organisers to host events is a key activator for these connections.

The proposal from Dindi Events seeks to create a locally based community-led supporting mechanism for those event organisers, organisations and individuals that wish to participate. By working together under this program, officers believe we will see an increase in the capacity and capability of those managing events and therefore an uplift in the quality of the events.

The creation of the Dindi Events program will not preclude events to operate on their own or as they have previously, nor preclude access by other groups to community grants and support from the Council events team. The proposal is about supporting those events and organisers that wish to participate and seek the support of a larger experienced organisation.

### **Council Plan/Strategies/Policies**

This proposal supports the following strategies under the *Council Plan 2021-2025 Growth and Opportunity* pillar to:

- “boost local investment and employment opportunities through activities that encourage businesses, social enterprise, and industry sectors to thrive and grow”.
- “support and promote our tourism and events sector to boost the economy through increased visitation”.

This report also supports the *Council Plan 2021-2025 Resilient Communities* strategy to “deliver, support and promote opportunities for all people to connect with each other, collaborate and plan for the future”.

### **Relevant Legislation**

Nil.

### **Financial and Risk Implications**

The events specifically mentioned in the proposal have previously received funding through Council's Grants and Sponsorships Program, this could continue, or the proposed agreement could be funded through the events leveraging budget allocation. This year's amount can be accommodated in the current budget and future years would need to be allocated in future budgets in line with the agreement.

### **Conflict of Interest**

There were no conflicts of interest declared by Council officers in relation to the matters contained in this report.

### **Community and Stakeholder Consultation**

Alexandra Events has been liaising with other event organisers across the Murrindindi Shire and will continue to engage with new and current events as required.

### 4.3 Grants and Sponsorship Program - Quarterly Allocations

Department	Community Wellbeing
Presenter	A Paxton, Director Community & Development
Approved by	Director Community & Development
Purpose	For decision
Attachment(s)	Nil

#### Executive Summary

Council's Grants and Sponsorship program provides funding for projects that support our communities to improve the liveability of our towns and places, build connections, create opportunities for participation in community and civic life, improve personal and community health and wellbeing, protect our natural environment, and assist communities to plan for the future.

This report provides Council with details of the applications from the period with the Panel Assessment Report for noting and consideration. Fifteen applications were considered for funding in this period. Of these, 11 applications were funded under delegation, and 4 applications are being recommended for funding by Council.

#### RECOMMENDATION

##### That Council:

1. Note the following grants and sponsorships awarded under delegation by the Grants and Sponsorship Assessment Panel:
  - a. Yea & District Memorial Hospital – Health promotion activities at the Yea Show - \$2,500
  - b. Yea Community House – Delivery of programs for Women’s Health Week - \$1,040
  - c. Alexandra Secondary College – Sponsorship of the 2024 College Dux - \$700
  - d. Murrindindi Film Society – Delivery of the 2024 film screening season - \$300
  - e. Yea Bowls Club – Technology purchase to enable participation and promotion - \$573
  - f. Yea Arts Inc – Delivery of arts program for local primary schools - \$1,100
  - g. Kinglake Ranges Men’s Shed Inc – Upgrade of community notice board - \$537
  - h. Lily Wilson – Sponsorship Grant – Participation at international cheerleading competition - \$1,000
  - i. Triangle Arts Group – Delivery of Marysville Artsfest - \$2,500
  - j. Rising Sun Association – Supporting the Rising Sun Festival Molesworth - \$2,000
  - k. Flowerdale Community House – Supporting the Flowerdale Quilt Show 2024 - \$1,200
2. Endorse the funding of the following applications as recommended by the Grants and Sponsorship Assessment Panel:
  - a. Alexandra Community Hub Inc – Sponsorship Grant - \$5,000 – Purchase of vehicle for the L2P Driver Education Program

- b. Rotary Club of Kinglake Ranges Inc – Local Event Grant - \$5,000 – Sponsorship of the Lift the Lid Walk as part of the Show ‘n’ Shine Car, Bike and Music Festival**
- c. Tri Gym Inc – Project Grant - \$4,095 – Establishment of Triangle Pickle Ball Program**
- d. Toolangi Castella Community House Inc – Project Grant - \$5,000 – Installation of acoustic panels at the CJ Dennis Hall.**

## Background

The Grants and Sponsorship Program provides the opportunity for not-for-profit community groups and organisations, social enterprises and businesses to seek funding from Council to support events, activities and projects that align with the Murrindindi Shire Council 2021-2025 Council Plan. The funding streams provided under the program are:

- Quick Response Grants
- Sponsorships
- Community Projects and Events
- Local Events
- Events of Major Significance
- Special Purpose Grants

Each stream has its own objectives, eligibility and assessment criteria and can be found in the Program Guidelines on Council’s website. The applications have been assessed against the adopted policy. Assessment occurs monthly for Quick Response Grants and four times per year for the other streams.

## Discussion

The Grants and Sponsorship Assessment Panel have considered 19 applications. The table below details the applications, the assessment and decision or recommendation.

<p><b>1a) Yea &amp; District Memorial Hospital – YDMH at the Yea Show</b>          Quick Response Grant: Funded \$2,500 under delegation          Attendance at the Yea Show in November 2024 to promote positive impacts of healthy eating and physical activity. A Quick Response Grant of \$2,500 was requested and funded.</p>
<p><b>1b) Yea Community House – Delivery of programs for Women’s Health Week</b>          Quick Response Grant: Funded \$1,040 under delegation          Targeting different groups of women to celebrate Women’s Health Week in September 2024. A Quick Response Grant of \$2,090 was requested with \$1,040 funded by the panel.</p>
<p><b>1c) Alexandra Secondary College – Sponsorship of the 2024 College Dux</b>          Quick Response Grant: Funded \$700 under delegation          Awarded each year to the year 12 student achieving the highest VCE ATAR score. A Quick Response Grant of \$700 was requested and funded.</p>
<p><b>1d) Murrindindi Film Society – Delivery of the 2024 film screening season</b>          Quick Response Grant: Funded \$300 under delegation          Screening films to residents, once a month from July to September 2024. A Quick Response Grant of \$300 was requested and funded.</p>
<p><b>1e) Yea Bowls Club – Technology purchase to enable participation and promotion</b>          Quick Response Grant: Funded \$573 under delegation          Enabling better access to the ‘Bowslink” system and to provide information to club members. A Quick Response Grant of \$1,146 was requested with \$573 funded by the panel.</p>

<p><b>1f) Yea Arts Inc – Delivery of arts program for local primary schools</b>          Quick Response Grant: Funded \$1,100 under delegation          Developing and delivering an interactive children’s puppet show. Walls and ceiling animated by interactive video projection. A Quick Response Grant of \$1,100 was requested and funded.</p>
<p><b>1g) Kinglake Ranges Men’s Shed Inc – Upgrade of community notice board</b>          Quick Response Grant: Funded \$537 under delegation          Replacement of a dilapidated notice board in the Kinglake Shopping Centre. The 20-year-old notice board is located at Cappa Rossi restaurant. A Quick Response Grant of \$537 was requested and funded.</p>
<p><b>1h) Lily Wilson – Participation at international cheerleading competition - \$1,000</b>          Sponsorship Grant: Funded \$1,000 under delegation          Enabling attendance at the FISU (International University Sports Federation) World University Cheerleading Championship in Croatia in August 2024. An Individual Sponsorship Grant of \$1,000 was requested and funded by the panel.</p>
<p><b>1i) Triangle Arts Group – Delivery of Marysville Artsfest</b>          Sponsorship Grant: Funded \$2,500 under delegation          The Marysville Artsfest is held on Melbourne Cup weekend in November 2024. TAG Art Show, Booknest operating writing competition, Marysville Film Society showing film, Marysville Cultural Community coordinating music, Marysville Community Centre coordinating artisan market. A Sponsorship Grant of \$4,995 was requested with \$2,500 funded by the panel - in line with previously awarded Art Shows.</p>
<p><b>1j) Rising Sun Association – Supporting the Rising Sun Festival Molesworth</b>          Quick Response Grant: Funded \$2,000 under delegation          A Local Event Grant of \$5,000 was requested with \$2,000 recommended by the panel. Funding to be provided upon successfully acquiring a planning permit for the event.</p>
<p><b>1k) Flowerdale Community House – Supporting the Flowerdale Quilt Show 2024 - \$1,200</b>          Project Grant: Funded \$1,200 under delegation          Supporting the Flowerdale Quilt Show in October 2024. The two-day show is held every second year. Money raised to Flowerdale CFA, approximately 50 entries. CFA are a strong presence over two days, sausage sizzle, giving fire safety advice and literature. A Project Grant of \$1,500 was requested with \$1,200 recommended by the panel.</p>
<p><b>2a) Alexandra Community Hub Inc – \$5,000 – Purchase of vehicle for the L2P Driver Education Program</b>          Sponsorship Grant: Recommended for funding of \$5,000 by the Grants and Sponsorship Assessment Panel.          To purchase a small MG ZS SUV vehicle for the Murrindindi L2P driver education program hosted by Alexandra Community Hub. The program is funded by the Transport Accident Commission and is administered by Department of Transport through VicRoads. A Sponsorship Grant of \$5,000 was requested and recommended by the panel for Council consideration.</p>
<p><b>2b) Rotary Club of Kinglake Ranges Inc – \$5,000 – Sponsorship of the Lift the Lid Walk as part of the Show ‘n’ Shine Car, Bike and Music Festival</b>          Local Event Grant: Recommended for funding of \$5,000 by the Grants and Sponsorship Assessment Panel.          Supporting the Lift the Lid Walk followed by Show ‘n’ Shine Car, Bike &amp; Music Festival. November 2024. The Walk is a national mental health initiative. 100% of funds raised to mental health research through Australian Rotary Health. Show ‘n’ Shine, children’s activities, live</p>

music (young Kinglake band) and a Rotary BBQ. A Local Event Grant of \$5,000 was requested and recommended by the panel for Council consideration.

**2c) Tri Gym Inc – \$4,095 – Establishment of Triangle Pickle Ball Program**

Project Grant: Recommended for funding of \$4,095 by the Grants and Sponsorship Assessment Panel.

To support the establishment of a pickle ball program. Includes the purchase of equipment, three nets making three courts available, advertising and promotion. A Project Grant of \$4,095 was requested and recommended by the panel for consideration by Council.

**2d) Toolangi Castella Community House Inc – Project Grant - \$5,000 – Installation of acoustic panels at the CJ Dennis Hall.**

Project Grant: Recommended for funding of \$5,000 by the Grants and Sponsorship Assessment Panel.

To install 40 acoustic panels on the ceiling of the C J Dennis Hall. A Project Grant of \$5,000 was requested and recommended by the panel for consideration by Council.

**Council Plan/Strategies/Policies**

This report supports the following *Council Plan 2021-2025 Resilient Communities* strategies:

- Celebrate the community's vibrant, diverse and creative people.
- Deliver, support and promote opportunities for all people to connect with each other, collaborate and plan for the future.
- In collaboration with our community, support our children and young people to be happy, healthy and engaged.
- Engage with the community and partner organisations to enable older and vulnerable people to live safely, enjoy good health and stay involved.
- Provide and promote safe, passive and active recreational opportunities that will enhance the health, and wellbeing of residents and visitors.

**Relevant Legislation**

Nil.

**Financial and Risk Implications**

The below financial table shows the grant funds awarded and recommended in the financial year to date:

Grant Stream	Proposed Allocations August 2024	Year to Date Allocations
Quick Response Grants	\$6,750	\$7,389
Sponsorship Grants	\$7,500	
Individual Sponsorship	\$1,000	
Local Events Grants	\$7,000	
Community Projects Grants	\$10,295	
Events of Major Significance Grants	\$0	
Special Purpose Grants	\$0	
<b>TOTAL</b>	<b>\$32,545</b>	<b>\$7,389</b>

**Conflict of Interest**

There were no conflicts of interest declared by Council officers in relation to the matters contained in this report.

## Community, Stakeholder and Communication Consultation

No external community or stakeholder consultation was required for this matter.

## 5 REPORTS - PEOPLE & CORPORATE PERFORMANCE GROUP

### 5.1 Communications Policy Review

Department	Customer Experience
Presenter	A Cullen, Manager Customer Experience
Approved by	Director People & Corporate Performance
Purpose	For decision
Attachment(s)	1. Attachment 1 - Communications Policy Review [5.1.1 - 9 pages]

#### Executive Summary

The current Communications Policy was adopted in June 2020 and is now due to be reviewed.

The purpose of this policy is to provide direction for the Council's approach to communication, including the use of communication tools and interactions with the media. The policy aims to ensure effective communication across various platforms, consistency in quality, accuracy, and appropriateness of external communication, transparency between the Council and the community, and the building of a positive reputation for the Council and Murrindindi Shire.

The policy outlines the principles guiding the Council's external communication, emphasising inclusivity, professionalism, clarity, and responsiveness. It also details the roles and responsibilities of various spokespersons, including the Mayor, Deputy Mayor, Councillors, CEO, Directors, Managers, and the Communications Unit.

The policy applies to all representatives of the Council and all media and platforms used for communication.

#### RECOMMENDATION

**That Council adopt the revised Communications Policy as contained in attachment one.**

#### Background

Council's Communications Policy was last endorsed in June 2020. This policy is reviewed periodically to ensure that it remains up to date, contemporary and compliant with all relevant legislation and best practice guidelines.

The Communications Policy is included attachment one.

The purpose of this policy is to provide direction for Council's approach to its communication, including the use of communication tools and interactions with media.

The Policy aims to ensure:

- Council communicates effectively across a range of platforms
- consistency in quality, accuracy and appropriateness of external communication
- transparency of communication between Council and the community
- that our communications help build a positive reputation of Council and Murrindindi Shire

- that all communications are written, produced, and distributed in an accessible manner.

### **Discussion**

The Policy was benchmarked against other councils' Communications policies as part of the review and the main updates for noting to the Policy include:

- Inclusion of the Australian Government Style Manual to be used in association with the Murrindindi Shire Council Style Guide
- Further clarity to Council Spokesperson section, including roles and responsibilities
- Clarity on communications channels and uses of these channels
- Clarity on Councillors' use of communications channels during Council Election period
- Inclusion of Media Relations section
- Inclusion of Individual Councillor Websites and Social Media section
- Inclusion of Emergency Communications section
- Update of Related Policies, Strategies and Legislation section.

### **Council Plan/Strategies/Policies**

This report supports the *Council Plan 2021-2025 Transparency, Inclusion and Accountability* strategy to "communicate effectively using multiple methods with our customers and communities about our work and services".

### **Relevant Legislation**

*Local Government Act 2020*

*Local Government (General) Regulations 2015*

*Local Government (Governance and Integrity) Regulations 2020*

*Local Government Amendment (Governance and Integrity) Act 2024*

*Local Government (Electoral) Regulations 2020*

*Federal Government Disability Discrimination Act 1992*

Web Content Accessibility Guidelines (WCAG) 2.0

Privacy Policy

Equal Opportunity Policy

Customer Service Policy

Customer Complaints and Feedback Policy

Councillor Code of Conduct

Portfolio Councillor Policy

Election Period Policy

Employee Code of Conduct

Information Management Policy

Climate Change Policy

Generative Artificial Intelligence Policy

Advocacy Policy

Communication Strategy 2019

Social Media Strategy 2020

Municipal Emergency Management Plan

### **Financial and Risk Implications**

The risk of not reviewing this policy is that it may not keep pace with changing legislation, policies, and strategies, and therefore may not serve its intended purpose

### **Conflict of Interest**

There were no conflicts of interest declared by Council officers in relation to the matters contained in this report.

## Community and Stakeholder Consultation

This Policy follows, and is informed by, consultation with staff and external stakeholders through the creation of Council's Communication Strategy and Social Media Strategy.

### 5.2 Preliminary 2023/24 Financial Results and Carry Forward Adjustments into 2024/25

Department	Business Services
Presenter	M Chesworth, Director People & Corporate Performance
Approved by	Director People & Corporate Performance
Purpose	For decision
Attachment(s)	Nil

#### Executive Summary

End-of-year processes have progressed to determine a preliminary or interim result for 2023/24, pending the finalisation of the annual VAGO audit.

The result for the 2023/24 financial year (subject to any adjustments recommended by VAGO) reflects a \$7.9m negative variance to the revised budget on the Net Operating Result line. A revised budgeted operating surplus of \$5.1m has become a \$2.9m deficit.

The key drivers of this outcome are:

- a) the unexpected payment to Council of the 2024/25 Federal Assistance Grant income via the Victorian Grants Commission in July 2024 rather than in June 2024 as budgeted, as had happened in prior years (\$5.1m). This delay in receipt of Federal Assistance Grants in contrast to previous years has impacted most Australian Councils which will experience similar negative variances between 2023/24 Budgeted and Actual results.
- b) Capital Grant Income of \$3.1m has been reallocated from Income to unearned income in compliance with accounting standards and;

This report also proposes "carry forward" adjustments to 2024/25 Budget period from 2023/24 for Income and Operating Expenditure, which results in a net favourable adjustment of \$2.042 million to the projected operating surplus for 2024/25.

Capital Expenditure adjustments total \$5.638 million and are detailed in the 2023/24 Financial Year Capital Works Report on the Agenda for this meeting.

### RECOMMENDATION

#### That Council

1. note the interim, pre-audited financial results for 2023/24
2. approve the carry forward adjustments to the 2024/25 Annual Budget as contained within this report.

#### Background

This report provides preliminary financial results for 2023/24, which completes the cycle of quarterly financial reporting for the 2023/24 financial year. These results are interim and are still subject to further adjustment following completion of the annual external audit currently being conducted by the Victorian Auditor General's Office (VAGO). Finalised financial statements for



the 2023/24 year will be presented for Council's endorsement at the September 2024 Council Meeting.

This report also provides recommended carry forward adjustments to the 2024/25 Annual Budget, which reflect where budgeted items in 2023/24 were not fully expended as a result, for example, of unforeseen delays in project activity and need to be carried forward into the 2024/25 year, or where grant income received in 2023/24 is required to be recognised in 2024/25 when the associated expenditure will occur.

## Discussion

### Interim 2023/24 Financial Results

Table 1 – Interim 2023/24 Financial Results

	Original Budget	Revised Budget	Actuals	Variance to Revised Budget
	\$'000	\$'000	\$'000	\$'000
Operating Revenue	41,132	53,805	44,030	-9,775
Operating Expenditure	39,362	48,110	46,119	1,991
Net Operating Result	1,170	5,100	(2,892)	-7,992
Underlying Result	(3,532)	(3,410)	(7,962)	-4,552
Capital Works Expenditure	15,953	22,040	15,685	-6,355
Cash position	28,927	31,277	30,811	-466

The final audited financial statements, which will be presented to Council in September 2024, will report actuals against the original budget. However, quarterly financial reporting is based on reporting actuals against the revised budget. Both budgets have been provided in Table 1 above.

The variances reported below are against the revised budget.

- **Operating Revenue:**

The variance is primarily due to the timing of recognition of grant income which is recognised as income when certain project milestones have been met. Grants received in advance are reported as a liability in the balance sheet.

A carry forward budget adjustment will be requested for Grant income budgeted, but not received or recognised in 2023/24. The Federal Assistance Grants of \$5.1 million for 2024/25 were budgeted to be received as income in 2023/24. Unlike prior years, this grant funding was received in July 2024.

- **Operating Expenditure**

The variance mainly relates to lower than budgeted employee entitlements, due to unfilled vacancies and partially offset by the cost of contractors.

- **Net Result**

In addition to operating revenue and expenditure, the net result includes the net loss on disposal of assets \$0.723 million and the increase in landfill provision \$80k.

- **Underlying Result**

The underlying result removes capital income and expenditure from the Net Result. The negative variance to budget reflects the delay in receipt of Federal Assistance Grants as previously referred to.

- Capital Works Expenditure

The variance is due to the progress of capital works projects and the reallocation of costs deemed to be operating expenditure due to the nature and ownership of the works. Where capital works projects have not been completed, a carry forward budget has been requested.

- Cash position

The Cash position of \$30.8 million includes cash at bank \$1.46 million and investments (financial assets) \$29.35 million. The cash movement from 1 July 2023 to 30 June 2024 was a reduction of \$10.2 million partially reflecting the delayed receipt of Federal Assistance Grants.

### Carry Forward Adjustments to 2024/25 Annual Budget

The justifications for these carry forward requests vary by specific item but in general reflect circumstances such as grant income and related expenditure which will be recognised and expended in 2024/25. Also, where budgeted items in 2023/24 were not expended as a result, for example, of delays in project activity, these are also identified for carry forward (See the tables 3 to 5 below).

By far the most material carry forward items in dollar terms are the Capital Expenditure items. Many of these were budgeted for completion in 2023/24 but because of a variety of factors including resource shortages, permit delays, weather conditions, were not able to be completed on schedule.

It has been the practice following approval of Council to adjust the adopted fiscal budget to reflect these carry forward items, and other budget adjustments arising, as part of the September (first quarter) Quarterly Financial Report for 2024/25, where the “Revised Budget” will be adopted.

A full reconciliation of the 2024/25 carry forward budget adjustments is shown in Table 2 below, which indicates a net increase in the projected operating surplus of \$2.04 million and an increase of \$5.64 million in capital expenditure.

**Table 2 Reconciliation of 2024/25 revised budget adjustments – 2023/24 Carry forwards**

Description		Operating \$'000	Capital \$'000
Adopted Operating Budget Surplus 2024/25		2,333	
Adopted Capital Expenditure Budget 2024/25			14,223
<b>Carry Forward requests</b>			
Table 1: Council Funded Operating Expenditure – Project initiatives	less	584	
Table 2: Grant Funded Operating Expenditure	less	2,745	
Table 3: Income - Grants	plus	5,371	
Capital Works			5,638
<b>Revised Budget Operating Surplus/CAPEX</b>		<b>4,375</b>	<b>19,861</b>

**Table 3 Council Funded Operational Expenditure – Incomplete or Deferred Project Initiatives**

	Description	Comments	\$
1	Digital Futures	Review against CODI phasing and c/f as appropriate.	111,537
2	CODI Project	Review against CODI implementation phasing and c/f as appropriate.	321,147
3	Council Website	Request to carry-forward unspent funds for visual site refresh and functionality upgrades. Due to project complexities, timelines have been adjusted for the completion of this project.	20,000
4	Emergency Management Plan	To fund scenario tests for the cyber security plan and health services isolation exercise.	10,000
5	Organisational Projects	Enhance onboarding process to improve efficiency and staff retention.	23,481
6	Recreation Strategy Implementation	Grant related.	7,134
7	Kinglake Community Planning	Grant related.	6,000
9	Climate Change Plan	For climate change actions.	6,343
10	Bushland Management	For Flat Lead Rd Carbon Offset project.	12,794
11	Waste Management Strategy	For new kerbside project.	15,000
12	Asset Management Program	Asset revaluation being completed July 24.	50,367
	<b>Sub-Total Operational Expenditure – project initiatives</b>		<b>583,803</b>

**Table 4: Grant Funded Operational Expenditure**

	Description	\$
1	Leaping Into Resilience PACLS000412 GR1014	245,725
2	Maternal & Child Health	99,000
3	FDC Educator Incentive (GR860)	16,929
4	FDC Professional Development Grant GR 1065	4,929
5	KISP/Workforce Planning Grant GR 1048	60,683
6	Planning to Meet Demand GR 1046	53,311
7	Engage - Youth Participation & Resilience Project	18,801
8	CASI (GR 940)	9,857
9	Freeza Youth Concerts	36,734
10	Engage - Youth Resilience Activities	22,531
11	Free from Violence Local Gov Program GR 1012	28,867
12	Domestic Wastewater Education & Engagement G1037	12,743
13	Streamlining for Growth (Grant 853)	23,792
14	Community Recovery Hubs GR 1045	456,995
15	Community Recovery Officer Program GR 1043	260,647
16	Council Flood Support Fund 2022-23 GR 1038	748,985
17	Council Flood Support Fund AGRN 1096 GR1076	497,606
18	TAC Community Rd Safety Program - GR 1027	26,200
19	DELWP - SSF Shared ESD Advisor Grant 1015	48,538
20	CSIRO Managed Aquifer Recharge project GR 1088	12,247

	Description	\$
21	Rubicon Waste Water GR 901	(2,433)
22	Mid-Goulburn Flood Study Grant 1035	62,500
	<b>Sub-Total Operational Expenditure – Grant Funded</b>	<b>2,745,187</b>

**Table 5 Income - Grants**

	Description	\$
1	Leaping Into Resilience PACLS000412 GR1014	(245,725)
2	KISP/Workforce Planning Grant GR 1048	(60,683)
3	FDC Professional Development Grant GR 1065	(4,927)
4	Domestic Wastewater Education & Engagement G1037	(2,742)
5	DRFA - Flood Event - October 2022 - AGRN 1037	(1,132,702)
6	DRFA - Flood Event - October 2023 - AGRN 1072	(8,220)
7	DRFA Flood Event - January 2024 AGRN 1096	(347,763)
8	Grant 982 RV Feasibility Study Yea RRC	(7,835)
9	Kerbside Transition Planning - DELWP - GR967	(45,074)
10	TAC Community Rd Safety Program - GR 1027	(15,000)
11	DELWP - SSF Shared ESD Advisor Grant 1015	(41,073)
12	Local Road and Community Infrastructure Prog.GR941	(108,327)
13	Local Road and Community Infra Prog. Phase 2 GR975	(552,590)
14	Local Road and Community Infra. LRCI3 GR985	(1,083,272)
15	Mid-Goulburn Flood Study Grant 1035	(62,500)
16	LED Lighting - Yea Swimming Pool GR 1017	(24,292)
17	Eildon Reserves Redevelopment RDV GR 1009	(747,566)
18	Eildon Splash Park Changing facility GR 1025	(136,800)
19	LRCI4 GR 1039	(586,463)
20	Murrindindi Mulch Maker GR 1041	(7,917)
21	DEECA - Enhance Livestock Traceability GR 1083	(24,545)
22	Yea Caravan Park – contribution from Lessee	(125,000)
	<b>Sub Total Grant Funding</b>	<b>(5,371,016)</b>

### Council Plan/Strategies/Policies

This report supports the *Council Plan 2021-2025 Transparency, Inclusion and Accountability* strategy to “ensure Council remains financially sustainable through sound management, forward planning, innovative service delivery and asset consolidation as appropriate”.

### Relevant Legislation

*Local Government Act 2020* with reference to Financial Management and sustainability obligations of LGAs.

### Financial Implications and Risk

The risk of poor financial management can have a significant impact upon the governance of the Council.

These interim 2023/24 results are pending completion of the VAGO audit. The financial implications flowing from the carry forward requests are outlined in this report.

### Conflict of Interest

There were no conflicts of interest declared by Council officers in relation to the matters contained in this report.

### Community and Stakeholder Consultation

Not Applicable

## 5.3 37 Extons Road, Kinglake Central - Transfer of Land

Department	Community & Development
Presenter	M Chesworth, People and Corporate Performance
Approved by	Director People and Corporate Performance
Purpose	For decision
Attachment(s)	Nil

### Executive Summary

This report seeks Council's endorsement to transfer an undeveloped portion of Council-owned land at 37 Extons Road Kinglake, without consideration (payment), to the adjoining landholder, who originally donated the land to Council to enable the rebuilding of the Middle Kinglake Primary School and associated educational facilities.

Land that forms 37 Extons Road, Kinglake was donated to Council by an adjoining landholder following the 2009 bushfires with the specific purpose to enable the reconstruction of the Middle Kinglake Primary School and Early Years Learning Centre on one site. The donated land was rezoned to a Public Use Zone, by the Minister for Planning to reflect its purpose. Council leased the land to the Department of Education in 2011 and the School and Early Years Learning Centre were constructed and have been operational for many years.

The total land area donated was ultimately found to be in excess of the requirements for the intended purpose and the Education Department relinquished its lease over the excess land (approximately 1.77 hectares to the west of the property) in 2014. As this land is not required for the purpose it was donated, being educational purposes, Council has commenced a process to potentially transfer the unused portion of land back to the original donor.

At its 24 July 2024 Scheduled Meeting, Council resolved to 'give public notice of its intention to transfer the undeveloped portion of 37 Extons Road to the original donor without consideration (payment) and to consider any public submissions received, following the public notice, at the August 2024 Scheduled Meeting of Council'.

No submissions have been received following the public notification and it is recommended the transfer of land proceeds.

## RECOMMENDATION

### That Council:

1. note that no public submissions have been received following the public notice of Council's intention to transfer the undeveloped portion of land at 37 Extons Road to the original donor without consideration (payment)

2. transfer the undeveloped portion of land at 37 Extons Road (shaded in red in diagram 1 in this report) to the original donor (adjoining landholder) without consideration (payment), through a boundary realignment
3. authorise the Chief Executive Officer to sign all relevant documents and undertake all administrative processes in respect to the land transfer
4. request the Minister for Planning to prepare an amendment to the Murrindindi Planning Scheme under Section 20(4) of the *Planning and Environment Act 1987* to rezone the land to be transferred from the Public Use Zone 7 to the Farming Zone, with overlays consistent with the adjoining land.

## Background

Council received a detailed report on the background to this matter at its July 2024 Scheduled Meeting. The Executive Summary above summarises this background.

Diagram 1 below shows the portion of donated land at 37 Extons Road that is not required by the Department of Education for educational purposes (shaded red) and is proposed to be transferred back to the original donor. The donor owns the adjoining farming land to the north of the site.

Diagram 1 : Proposed land transfer (shaded in red)



## Discussion

### Planning Considerations

As previously reported to Council, Planning Scheme Amendment C27 formed part of a major bushfire recovery process following the 2009 Bushfires. Part of the amendment rezoned all of the donated land at 37 Extons Road from the Farming Zone to the Public Use Zone 7 (Other Public Use) to facilitate the rebuilding of the school and associated infrastructure. Amendment C27 was facilitated by the State Government via Section 20(4) of the Planning and Environment Act 1987.

The return of the excess donated land to the original donor will involve the consolidation of the land with the donor's existing farming land to the north of the site, thus avoiding the creation of an additional lot.

Given the Public Use Zone should only be applied to public land, it is considered appropriate to rezone the transferred land back to Farming Zone to be consistent with the provisions prior to the Gazettal of Amendment C27.

The planning scheme provisions for the land currently leased by the Department of Education, where the school and associated infrastructure are sited, are not proposed to change.

Subject to Council endorsement for the transfer of the land and given that the original C17 Amendment was facilitated by the State Government, it is considered appropriate for officers to request the Minister for Planning to consider the proposed amendment and planning permit under Section 20(4) of the Planning and Environment Act 1987.

Ministerial Intervention in the planning scheme amendment will remove the need to exhibit the amendment, resulting in avoidance of duplication in engagement processes with those already undertaken for the disposal of land under Section 114 of the Local Government Act 2020.

#### Local Government Act Requirements for Land Transfer

In accordance with Section 114 of the *Local Government Act 2020*, before selling, exchanging or transferring land, with or without consideration, Council must publish on its website a notice of its intention to do so, and undertake a community engagement process in accordance with its community engagement policy.

Following Council's resolution of 24 July 2024, to give public notice of its intention to transfer the unrequired land at 37 Extons Road back to the original donor, a public notice was published on Council's website and in the August 2024 edition of the Mountain Monthly, which circulates throughout the Kinglake Ranges. The public notice invited written submissions on the proposal from the community by the 19 August 2024. No submissions were received.

If Council is not willing to progress the land transfer it leads to the question of what Council intends to use the land for, given there are no further requirements for the land by the Department of Education. In the years prior to the lease of the subject land back to the donor in 2022, the land was vacant agriculture land which was slashed by Council each year to manage fire risk. More recently it has been leased back to the donor to resume farming operations on the land.

Therefore given:

1. the land at 37 Extons Road was generously donated to Council by the adjoining landholder for the purposes of rebuilding the Middle Kinglake Primary School and associated infrastructure following the 2009 bushfires, and
2. a greater area of land was donated than was ultimately needed for this purpose, and
3. there are no further requirements of the use of the excess land for education-related purposes, and
4. the excess land is currently being used for farming purposes under lease to the donor, and
5. there were no public submissions received in relation to the proposal to transfer the land back to the donor,

It is recommended that Council proceed with the transfer of the excess land without consideration (ie without requiring payment for the land).

#### **Council Plan/Strategies/Policies**

This report supports the following strategies under the *Council Plan 2021-2025 Transparency, Inclusion and Accountability* pillar:

- “to ensure our services, people and systems deliver the best possible outcomes for our communities now and into the future”.
- “maintain transparent, inclusive and accountable governance practices”.

This report also supports the *Council Plan 2021-2025 Beautiful Towns and Rural Settings* strategy to “deliver efficient, sustainable land use planning outcomes to enhance liveability, protect our unique rural character and natural beauty, and to enable growth”.

### **Relevant Legislation**

The matters in this report pertain to Section 20(4) of the *Planning and Environment Act 1987*, and Section 114 of the *Local Government Act 2020*.

### **Financial and Risk Implications**

In compliance with Section 114 of the *Local Government Act 2020* Council is also required to obtain a valuation of the land which is made not more than 6 months prior to the sale or exchange.

As Council only came into possession of the subject land due to the generosity of the donor to contribute land for the rebuilding of Middle Kinglake Primary School, it is proposed to return the excess donated land without consideration (ie. without requiring payment for the land) by the donor. The donor has agreed to contribute 50% of the required planning and conveyancing costs, which are not expected to exceed \$20,000 in total, with Council contributing the remaining 50% from its existing budget for legal expenses. The costs of the original land donation and subdivision were covered by bushfire recovery funding.

Whilst such a transfer will require the asset to be written-off in Council’s annual budget, as the land was donated to Council in the first place, there is no longer term financial impact of the transfer, and the process is consistent with Council’s unused asset rationalisation strategy.

### **Conflict of Interest**

There were no conflicts of interest declared by Council officers in relation to the matters contained in this report.

### **Community and Stakeholder Consultation**

A public notice was placed in the August 2024 edition (published 1 August 2024) of the Mountain Monthly and on Council’s website, inviting submissions from the public in relation to the potential land transfer by Monday 19 August 2024. No submissions were received.

## **5.4 CEO Employment and Remuneration Committee - Extension of Appointment of Independent Member**

Department	Governance & Risk
Presenter	M Chesworth, Director People & Corporate Performance
Approved by	Director People & Corporate Performance
Purpose	For decision
Attachment(s)	Nil



## Executive Summary

This report seeks Council's endorsement to extend the appointment of Ms Marilyn Kearney as the independent member of the CEO Employment and Remuneration Committee for a further one-year term.

Council has a requirement under the *Local Government Act 2020* to obtain independent professional advice to support its role in managing the employment and remuneration of the Chief Executive Officer (CEO). To this end, following an expression of interest process, Council appointed Ms Marilyn Kearney in October 2021 for a two-year term to provide independent professional advice. At its October 2023 Meeting Council resolved to extend the appointment for a one-year term. As this term is nearing conclusion Council has the opportunity to extend the term for a further one year term, in compliance with the Terms of Reference for the CEO Employment and Remuneration Committee.

## RECOMMENDATION

**That Council extend the appointment of Ms Marilyn Kearney as the independent member of the CEO Employment and Remuneration Committee for a further one-year term ending 31 October 2025, in accordance with the Committee's Terms of Reference.**

## Background

Under Section 45 of the *Local Government Act 2020*, Council is required to develop and keep in force a CEO Employment and Remuneration Policy which must provide for Council to obtain independent professional advice in relation to matters dealt with in the Policy.

At the August 2021 Scheduled Meeting Council adopted the CEO Employment and Remuneration Policy and a Terms of Reference for the establishment of a CEO Employment and Remuneration Committee to oversee the implementation of the Policy, consisting of the Mayor, two Councillors and an independent member.

At the October 2021 Scheduled Meeting, following an expression of interest process, Council appointed Ms Marilyn Kearney as the independent member on the Committee to provide independent professional advice, as required by the Act.

The Committee's Terms of Reference allows for the appointment of the independent member for an initial period of two years, with the possibility of two further one-year terms, by Council resolution.

In October 2023, Council resolved to extend the term of Ms Kearney's appointment for an initial one year term. This report seeks Council's endorsement to extend the term for a second one-year term, expiring 31 October 2025.

## Discussion

Since its inception, the Committee has been operating in accordance with its Terms of Reference to meet the requirements of S45 of the *Local Government 2020*. During this time, Ms Kearney has satisfactorily fulfilled the requirements of the role of independent advisor to the Committee and Council. With Ms Kearney having established familiarity with the role and with the upcoming Council election in late October 2024 there would be obvious benefit in having Ms Kearney's appointment extended for a further 12 months to provide continuity of advice and to support the new Council in this aspect of its role.

### **Council Plan/Strategies/Policies**

This report supports the *Council Plan 2021-2025 Transparency, Inclusion and Accountability* strategy to “maintain transparent, inclusive and accountable governance practices”.

### **Relevant Legislation**

This matter supports Council’s compliance with S45 of the *Local Government Act 2020*.

### **Financial Implications and Risk**

There will be a minor CPI adjustment to the independent member’s schedule of rates, which is within the budget allocation for this advisory role.

The appointment of an independent professional advisor provides effective oversight and guidance to support the Council in its management of the CEO role. This improves transparency, reduces the risk of conflict arising in the Council-CEO relationship and promotes good governance practices.

### **Conflict of Interest**

There were no conflicts of interest declared by Council officers in relation to the matters contained in this report.

### **Community and Stakeholder Consultation**

No external community or stakeholder consultation was necessary for this matter.

## **6 REPORTS - ASSETS & ENVIRONMENT GROUP**

### **6.1 End of Year Report Capital Works 2023-24**

Department	Sustainability & Assets
Presenter	P Bain, Manager Sustainability & Assets
Approved by	Director Assets & Environment
Purpose	For decision
Attachment(s)	Nil

### **Executive Summary**

This report provides the end of year result for the delivery of the capital works program (CWP) for the 2023/24 financial year and recommends carry forward projects for the inclusion into the Capital Works Program for the 2024/25 financial year.

### **RECOMMENDATION**

#### **That Council:**

- 1. Note the end of year Capital Works Program report for the 2023/24 financial year.**
- 2. Endorse the carry forward of projects for the inclusion into the Capital Works Program for the 2024/25 financial year as detailed in this report.**

### **Background**

This is the final report on the Capital Works Program (CWP) for the financial year 2023-2024.

The CWP for 2023/24 is comprised of:

- Projects approved by Council in the 2023/24 budget;
- Projects identified for carry forward from the 2022/23 program, and
- Any approved projects that have received grant funding during the financial year including Local Roads & Community Infrastructure (LRCI) Round 3 and 4.

Due to the major floods experienced in late 2022, many projects in the 2022/23 budget were unable to commence as scheduled. Another serious flood event in January 2024 also impacted a range of projects and some delays were experienced. Additionally, some works were flood damaged and required restoration prior to the continuation of the works or prior to completion.

Delays were also experienced in material availability and delivery of plant and fleet. Other projects were impacted by a shortage of contractors.

Nevertheless, a large proportion of the scheduled program was able to be completed, as discussed below.

### Discussion

A general overview of the Capital Works Program delivery status:

Capital Works Program	Amount	Comments
Adopted Budget 2023/24	\$15,953,010	
Mid-year Revised Budget 2023/24	\$22,040,005	
Project budget reductions (savings)	-\$ 375,216	
Actual expenditure as of 30 June 2024	\$15,870,657	Expenditure as per accounts
Earned Value	\$ 2,204,292	Work completed by the end of June but not invoiced.
Proposed carry forward projects	\$5,705,649	

The adopted capital works budget for 2023/24 was \$15,953,010.

Carry forwards from 2022/23 and additional projects initiated during 2023/24 resulted in a revised total capital budget of \$22,040,005 at the mid-year review. The revised budget included approved carry forward projects and a range of grant driven projects that were approved during the financial year. Many of these grant-based projects are multi-year and expenditure will occur in future years.

Project budget reductions / savings of \$ 375,216 were realised during the year. These were mainly achieved through not fully utilising project contingency. The projects involved are shown in Table 1.

Actual expenditure as of 30 June 2024 was \$15,870,657.

Additionally, work scheduled to the value of \$2,204,292 was completed to the satisfaction of Council but was not invoiced. This is a form of accumulated liability and is listed above as 'earned value'. This is discussed below and represents confirmed work achieved but not reflected as actual expenditure. For example, several of the major components of the Eildon Reserves Redevelopment project have been completed, such as the changing places amenities block and significant elements of the water pumping / processing equipment however the contractor declined to invoice these works. See Table 2 for details.

Of the revised CWP, \$5,705,649 is recommended for carry forward. This includes the earned value amount, and it should be noted that a large proportion of this earned value has been invoiced in July 2024. See Table 3 for details.

### Capital Works Delivery Performance Measures

There are several ways to measure the actual project performance over the year.

### Capital Works Expenditure KPI

This is a financial performance measure which appears in the Annual Plan. It compares Actual expenditure against the Revised budget (less savings achieved).

KPI	Calculation	Target / Actual
Capital Works KPI	Actual Expenditure (Revised Budget – Savings)	Target 80%
	\$15,870,657 (\$22,040,005 - \$ 375,216)	Actual 73.3%

Actual expenditure for 2023/24 is an increase of 17% on financial year 2022/23. The difference between adopted budget and revised budget was very large, principally due to carry forwards, however delivery performance has improved.

### Capital Project Completion Performance Indicators

These measures of project performance include the value of actual progress achieved (Actual expenditure + earned value) that is actual work completed against scheduled in the budget.

KPI	Calculation	Target / Actual
Earned Value KPI	Actual+ Earned Value (Revised Budget – Savings)	Target 80%
	\$18,074,949 (\$22,040,005 - \$ 375,216)	Actual <b>83.4%</b>
Budget Delivery Indicator	Actual + Earned Value (Adopted Budget – Savings)	Target 95%
	\$18,074,949 (\$15,953,010 - \$ 375,216)	Actual <b>116.0%</b>

The Project Completion Performance Indicators show:

1. The actual work performed against revised budget, not just the actual expenditure. This is because there is often a time delay between work completion, invoicing and then recognising the expenditure in the accounts.
2. Budget Delivery Indicator which shows our performance over the whole year and compares our output against the original approved budget. In this case Council has delivered 116% of the original budget, showing more works were completed than were originally budgeted for.

### Performance compared to Previous Year

	2023/24	2022/23	Change
<b>Adopted Budget</b>	\$ 15,953,010	\$ 18,754,000	<b>-15%</b>
<b>Revised Budget</b>	\$ 22,040,005	\$ 20,032,000	10%
<b>Project reductions / savings</b>	-\$ 375,216	\$ -	
<b>Actual Expenditure</b>	\$ 15,870,657	\$ 13,591,000	17%
<b>Earned Value accruals</b>	\$ 2,204,292	\$ -	
<b>Proposed Carry Forward</b>	\$ 5,722,863	\$ 5,632,000	2%

**Key points to note:**

1. Council achieved some savings this year with improved project management processes where no savings were delivered in the year before.
2. Although the proposed Carry Forward is like the previous year, \$2.2M worth of work has already been performed (Earned Value) so the additional workload for 2024/25 will only be worth \$3.5M and is an effective reduction in carry forward.

**Capital Works Program Underspends/Savings**

The following funds will be returned to the various reserves or reallocated to another project (if grant funded) in line with Council's policy as shown by table 1 and 2.

**Table 1 – Project funds to be returned to reserve:**

No.	Name	Savings (all) YTD 2023/24
1	Traffic Treatments - Safer Road Assessments - Killingworth Road, Molesworth - Guard Rail Stage 1 Design	\$2,233
2	Bower Street Entry & Realignment Stage 2, Kinglake	\$5,283
3	Bridge Abutment Repair - Middle Creek Road Bridge 1 Yarck (#130)	\$5,114
4	Rail Trail - Renewal (Leckie Park)	\$752
5	Drainage - Trouble Spots - Ismay Wynd, Buxton	\$2,263
6	Shire Wide - Emergency Relief Centre Generator Requirements	\$16,900
7	Dove Cottage, Alexandra - Boundary Fence Replacement	\$5,405
8	Kinglake Memorial Reserve Tennis Building	\$49,415
9	Public Convenience - Beatles Toilet Block, Marysville	\$791
10	Alexandra Maternal & Child Health Centre - Internal Fit Out	\$7,745
11	Alexandra Swimming Pool - Repaint Pool Vessel, Installation of Irrigation System and Shade Sail Replacement	\$63,500
12	Marysville - Improved RRC Facility	\$5,180
13	Resource Recovery Centres - Upgrade - Bin Gates to Box Section	\$340
14	Auxiliary Works - Roads & Stormwater Upgrades - Alexandra Landfill - General Works	\$24,724
	<b>TOTALS</b>	<b>\$189,645</b>

**Table 2 – Savings from Grant Funded Projects:**

No.	Name	Savings (all) YTD 2023/24
15	Falls Road, Marysville - Street Trees LRCI3 GR985	\$1,820
16	LED Lighting - Yea Swimming Pool GR 1017	\$69,692
17	Marysville Caravan Park / Shopping Centre Path – Solar Light Installation	\$7,691
18	Terip Terip Clubroom Rendering (LRCI3)	\$2,367
19	Yea Recreation Reserve - Main Site Entry Upgrade (LRCI3)	\$4,730
20	Skyline Road, Taylor Bay - Upgrade & Sealing - Design Stage	\$6,116
21	Infrastructure Upgrade - Grant 981 - Various Sites Yea, Eildon, Marysville, Kinglake, Alexandra	\$70,508
22	Alexandra Swimming Pool LRCI 1	\$22,647
	<b>TOTALS</b>	<b>\$185,571</b>

**Project Earned Value Report**

Projects listed in Table 3 have had significant progress in actual work performed with the value of that work being assessed by the contract supervisors and is shown as Earned Value. For various reasons the achieved work has not been included in the financial assessment mainly because the contractors have not yet invoiced Council as of the end of June.

**Table 3 – Scheduled Work Completed – Not Invoiced by Contractor:**

No.	Name	Earned Value as of 30 June 2024
1	Eildon Splash Park	\$1,274,886
2	Yea Swimming Pool - Wet deck Construction (LRCl3)	\$272,008
3	Yea Caravan Park - Playground	\$90,000
4	Alexandra Landfill - Cell construction	\$255,420
5	Eildon Shopping Centre - Landscaping and Irrigation (LRCl3)	\$26,749
6	Tourism Signage - Renewal of Aging and Out of Date Signage	\$22,694
7	Roads - Major Maintenance	\$85,535
8	Alexandra Youth Precinct - Carpark Downey Street, Alexandra (LRCl3)	\$53,000
9	Kinglake Memorial Reserve - Drainage Upgrade - Investigation, Design and Construction	\$4,000
10	Community (Public) Buildings - Renewal Asbestos Removal	\$5,000
11	Alexandra Commercial Area - Streetscape Development	\$7,000
12	Minor Traffic Treatments - Shire Wide	\$8,000
13	Bridge Replacement (Construction) - Smiths Bridge, Maintongoon	\$50,000
14	Spraggs Road, Toolangi - Safety upgrades Stage 1 (Design) Realigning Spraggs Road and Healesville-Kinglake Road Intersection	\$15,000
15	Thornton Streetscape - Design Development	\$10,000
16	Yea Saleyards - Boom Gates	\$25,000
	<b>TOTALS</b>	<b>\$2,204,292</b>

### Carry Forward Recommendations

Table 4 & 5 provides commentary on the projects where a recommendation is made to carry forward funds to the value of \$5,705,649.00.

Recommendations are in three categories:

- The work has been completed but not invoiced (Earned Value)
- The work is in progress and will be completed as per existing contracts or orders.
- Underspenders in recurring programs to be carried forward to current year.

**Table 4 – Capital – Proposed Works to be Carried Forward.**

No.	Name	Carry forward to 2024/25	Comments
1	Alexandra - Commence Design and Verification of Landfill Cap for Cells 1A, 1BC and 1E	\$29,055	Carry forward due to the requirement to complete the EPA design approval process.
2	Landfill - Cell Capping Design Audit	\$75,000	Audit to be undertaken after EPA design approval of cell capping design (as above)
3	Landfill - Evaporation & Solar Pumps	\$50,000	Detailed scope investigation underway as solar pumps may not be the suitable treatment.

No.	Name	Carry forward to 2024/25	Comments
4	Alexandra Landfill - Cell Construction	-\$226,247	Construction works were brought forward to commence in the 2023/24 financial year. These were originally programmed to occur during 2024/25.
5	Yea Saleyards - Boom Gates	\$144,465	Project delayed due to material and contractor availability. Works are now underway and will be completed by the end of August.
6	Kinglake Memorial Reserve - Football Clubrooms Toilet Upgrade	\$28,270	Project is now underway. Delayed as a design was required. Additional funds are required to complete DDA compliant toilets.
7	Alexandra Shire Hall - DDA Compliance	\$25,000	Project is on hold, and it is proposed to allocate this budget to Kinglake Memorial Reserve - Football Clubrooms Toilet Upgrade to complete the works.
8	Marysville Caravan Park - New Swimming Pool	\$82,061	On hold due to cultural heritage issues.
9	Replacement of Ageing or Outdated Library Book Stock (Adult)	\$1,744	Project is underway. This project was delayed due to finalisation of scope.
10	Replacement of Ageing or Outdated Library Book Stock (Junior)	\$8,499	Supplier purchasing strategy has been enhanced for new financial year to enable purchasing efficiencies.
11	Marysville Swimming Pool Replacement of Backwash Valves on Filters	\$10,000	Project not required at this stage. Underspend to be transferred to Marysville Swimming Pool - toilet / change room and kiosk renewal to complete works.
12	Yea Caravan Park Playground	\$245,479	New project added during the financial year. Project is underway. Works will be completed by October 2024.
13	Kinglake Memorial Reserve - Drainage Upgrade - Investigation, Design and Construction	\$15,319	Project is underway. Works were delayed due to Department of Transport and Planning approval process.
14	Kinglake Memorial Reserve Oval Upgrade - Investigation and Design	\$55,871	Design is completed. Underspend to be carried forward as part of construction budget.
15	Public Convenience - Renewal - Rotary Park, Alexandra	\$105,986	Delayed due to contractor availability.
16	Eildon Swimming Pool - Truck Bund Compliance Work	\$57,500	Project not required at this stage. Underspend to be transferred to chemical dosing system works.
17	Marysville Swimming Pool Truck Bund Compliance Works	\$33,140	Project not required at this stage. Underspend to be transferred to chemical dosing system works.
18	Major Plant & Machinery	\$181,727	A number of plant items have been ordered and are awaiting delivery but disruptions to supply is delaying delivery. Some other plant items are still pending an order but are still required.
19	Passenger Vehicles	\$120,574	A number of vehicles have been ordered and are awaiting delivery but disruptions to supply is delaying delivery. Some other vehicles are still pending an order but are still required.
20	RV Friendly Town Project (multiple locations)	\$46,109	Works delayed due to an investigation of the scope being required. Works are underway and will be completed by December 2024.

No.	Name	Carry forward to 2024/25	Comments
21	Gravel Road Resheeting Program	\$5,589	Program of works completed. Under spend to be reallocated to 24/25 program to enable further minor works.
22	Roads - Major Maintenance	\$85,535	Program of works completed. Under spend to be reallocated to 24/25 program to enable further works.
23	Shoulder Resheeting	\$125,321	Program of works completed. Under spend to be reallocated to 24/25 program to enable further works.
24	Sealed Roads - Renewal & Major Patching	\$6,135	Program of works completed. Under spend to be reallocated to 24/25 program to enable further minor works.
25	Sealed Roads - Renewal (Reseals)	\$106,714	Program of works completed. Under spend to be reallocated to 24/25 program to enable further works.
26	Grandview Crescent/ Bald Spur Road Upgrading to Seal Road - Stage 1 Detail Design and Budget Preparation	\$66,048	Works delayed due to an investigation of the scope being required. Drainage design is underway. Part of the construction can be completed with savings.
27	Library and Customer Services - Updated Signage at all Three Sites (including new branding for Alexandra building to reflect inclusion of customer service)	\$19,070	Works delayed due to an investigation of the scope being required.
28	Bridge Abutment Repair - Abes Bridge, Molesworth	\$69,245	Works delayed due to an investigation of the scope being required. Works are underway and will be completed by December 2024.
29	Bridge Replacement (Construction) - Smiths Bridge, Maintongoon	\$243,006	Works delayed due to an investigation of the scope being required. Works are underway and will be completed by September 2024.
30	Bridge Abutment Repair - Weedings Bridge, Fawcett	\$68,735	Works delayed due to an investigation of the scope being required. Works are underway and will be completed by December 2024.
31	Renewal - Pathways	\$7,800	Additional work committed to sweep newly sealed paths.
32	Drainage - Trouble Spots - Buxton Roadways	\$73,482	Works delayed due to an investigation of the scope being required. Design is underway.
33	Drainage - Trouble Spots - Project Initiation Program - View Street, Yea - Drainage Upgrade - Stage 1 Detailed Design and Budget Preparation	\$47,167	Works delayed due to an investigation of the scope being required. Design is underway.
34	Halls Flat Road, Alexandra - Drainage Upgrade for Subdivision Development	\$101,057	Works delayed due to an investigation of the scope being required. Design is underway.
35	Hall Street / Halls Flat Road, Alexandra - Drainage Outfall Stage 1 Design	\$4,510	Works delayed due to an investigation of the scope being required. Design is underway.
36	Drainage - Trouble Spots - Ismay Wynd, Buxton	\$2,263	Works delayed due to an investigation of the scope being required. Design is underway.
37	Community (Public) Building - Renewal - Asbestos Removal	\$28,700	Delayed due to contractor availability. Project is underway.



No.	Name	Carry forward to 2024/25	Comments
38	Safer Road Assessments - Whittlesea-Kinglake Road Kinglake Central - Service Road Improvements	\$24,593	These works require approval from the Department of Transport and Planning. Works have been delayed due to a lack of a response regarding options for this intersection from the Department of Transport and Planning.
39	Traffic Treatments - Safer Road Assessments - Spraggs Road, Toolangi - Safety Upgrades Stage 1 (Design) Realigning Spraggs Road and Healesville-Kinglake Road Intersection	\$23,977	Works delayed due to an investigation of the scope being required. Design is underway. Works will be completed by September 2024.
40	Snobs Creek Road, Eildon - Widening (Road Safety) - HVSP - Grant 937	\$768,859	Design work completed. Works cannot start until major landslip caused by the October 2022 floods is repaired. Grant variation approved.
41	Eildon Splash Park (GRANT 1009)	\$981,318	Contractor did not claim fully for works that they had completed to the end of June. Project is under way and will be completed by November 2024.
42	Eildon Reserve Changing Places Upgrade GR1025	\$136,800	Multi-year project. This is grant funded and the remaining funds require inclusion as part of the 24/25 budget for this project.
43	Street Tree Program - Replacement & Improvements - Nature Strip In-fill Tree Planting of Trees to Replace Trees Removed	\$13,569	Delayed due to plant availability and weather. Project is underway.
44	Yea Recreation Reserve - Main Site Entry Upgrade (LRCI3)	\$4,730	This project has been completed. Savings to be allocated to another LRCI3 grant project.
45	Eildon Shopping Centre - Landscaping & Irrigation (LRCI3)	\$1,760	Works delayed due to plant availability. Construction is well underway and will be completed by end of October 2024.
46	Alexandra Youth Precinct – Carpark - Downey St. (LRCI3)	\$105,417	Project is underway and will be completed by September 2024. Works delayed due to a lack of response from the Department of Transport and Planning in the approval process.
47	Alexandra Rotary Park Precinct - Lighting and Upgrades (LRCI3)	\$67,662	Grant scope changed to include Jack Shiel Garden/Leckie Park solar lights.
48	Eildon Reserves - Splash Park Contribution (LRCI3)	-\$25,890	Requirement for grant funding. Works due to be completed by November.
49	Yea Swimming Pool – Wet deck Construction (LRCI3)	\$272,008	Contractor did not claim fully for the completed works by end of June. Project is underway and will be completed by August 2024.
50	Pheasant Creek - Locality & Interpretive signage (LRCI3)	\$55,900	Project to be withdrawn. Underspends to be allocated to another LRCI3 Grant Project.
51	Shire Wide - Park Furniture & Minor Infrastructure Renewal - Identified by Annual Inspections - Shire Wide	\$27,605	Project delayed due to scope investigation and contractor availability. Project is underway and will be completed by August 2024.
52	Alexandra Council Chamber – Accessibility Compliance	\$20,000	Project is on hold, and it is proposed to allocate this budget to the Kinglake Memorial Reserve - Football Clubrooms Toilet Upgrade

No.	Name	Carry forward to 2024/25	Comments
			to complete necessary accessibility works to the toilets.
53	Wilhelmina Falls, Murrindindi - Sealing of Unsealed Section up to Crown Land - Stage 2 Finalisation of Design and Tender Documents	\$33,688	This was delayed due to achieving a design that minimises roadside tree loss. Currently finalising the design. A tree assessment will be undertaken in August.
54	Alexandra Commercial Area - Streetscape Development	\$50,000	Works delayed due to an investigation of the scope being required. Movement and Place study is underway and will be completed by August 2024.
55	Thornton Streetscape - Design Development	\$5,975	Works delayed due to an investigation of the scope being required. Design is underway and will be completed by September 2024.
56	Eildon Reserves Precinct Senior Play (GRANT 1020)	\$96,276	Contractor did not claim fully for the completed works to the end of June. Project is underway and will be completed by November 2024.
57	Eildon Reserves Precinct - Skatepark GR 1019	\$86,381	Project is completed. Savings from Council contributions to be transferred to the Splash Park contract.
58	Public Lighting Renewal	\$5,000	Project is currently underway.
59	Buxton Rise / Cathedral Close, Buxton - Sealing	\$30,000	Project delayed due to scope investigation. These works are part of the LRCI4 grant.
60	Flood Recovery Works	\$200,000	This budget is to cover any shortfall between funds received from Disaster Recovery Funding Arrangements (DRFA) and actual cost of recovery from floods in 2022 and 2024.
61	Climate Change Implementation - Buildings	\$60,000	Works delayed due to an investigation of the scope being required.
62	Climate Change Implementation Plan – Plant & Fleet	\$26,961	Works delayed due to an investigation of the scope being required.
63	Yea Wetlands – Kayigai Trail Construction	\$157,531	Project is underway. Works will be completed by December 2024. Various delays including January 2024 floods.
64	Kinglake Village Streetscape (LRCI4)	\$20,000	Project is withdrawn due to Kinglake Village not progressing. This work was to compliment works undertaken as part of this development. Funds to be allocated to another LRCI4 grant project.
65	Duke Street Urban Drainage Scheme (LRCI4)	\$5,614	Design is finalised. Underspend to be included as part of the construction budget. This is a LRCI4 grant project.
66	Bower Street/George Street, Kinglake (Drainage) (LRCI4)	\$1,364	Design is finalised. Underspend to be included as part of the construction budget. This is a LRCI4 grant project.
67	Pendlebury Street/Halls Road, Alexandra - Main Drain Construction (LRCI4)	\$19,204	Design is underway. Underspend to be included as part of the construction budget. This is a LRCI4 grant project.

No.	Name	Carry forward to 2024/25	Comments
68	Long Gully Road, Flowerdale Roadside Longitudinal Drainage Upgrade (LRCI4)	\$21,445	Design is finalised. Underspend to be included as part of the construction budget. This is a LRCI4 grant project.
69	Riverside Crescent, Flowerdale - Drainage Upgrade (LRCI4)	-\$6,172	Design is finalised. Overspend to be included as part of the construction budget. This is a LRCI4 grant project.
70	Castella Road Reconstruction and Sealing - Mattie Bridge to Campbells Creek Road, Castella	\$1,757	Currently finalising/revising the drawings. Tree assessment to be undertaken in August.
71	Minor Traffic Treatments - Shire Wide	\$22,645	This project has been delayed due to lack of response for the approval by the Department of Transport and Planning for the speed reduction. There has also been a material shortage, however this work will be completed by mid-August.
72	Marysville Caravan Park / Shopping Centre Path – Solar Light Installation (LRCI3)	\$7,691	This project has been completed. Savings to be allocated to another LRCI3 grant project.
73	SUP - Sign Up Murrindindi - GR1073	\$19,826	Grant funded project just received for actual delivery in 2024/25.
74	Digital Futures Initiatives - Corporate System Replacement / LENRCC contribution	\$67,937	This project has been delayed.
75	New aerial images for towns and rural areas provided by DEECA.	\$26,700	Collection of aerial photography for rural imagery has been delayed to 2025.
76	IT System - Renewal - Corporate Replacement of IT equipment and Aerial Photography	\$37,189	IT Hardware replacement program has been delayed (battery backups).
77	Murrindindi Mulch Maker GR 1041	\$20,834	Grant scope completed. Discussing with grant provider the use of the surplus funding.
	<b>TOTALS</b>	<b>\$5,646,083</b>	

**Table 5 – Non-capital works – proposed works to be carried forward.**

No.	Name	Carry forward to 2024/25	Comments
1	Rubicon Wastewater GR 901	-\$2,434	Delayed due to legal issues. Some works were undertaken this year, requiring negative carry forward. Additional funding being supplied by DEECA.
2	Mid Goulburn Valley Flood Study Grant 1035	\$62,000	Grant may be expanded by DEECA. Project is underway, has a 2025 completion date.
	<b>TOTALS</b>	<b>\$59,566</b>	

### Council Plan/Strategies/Policies

This report supports the *Council Plan 2021-2025 Beautiful Towns and Rural Settings* strategic objective “to provide fit-for-purpose infrastructure that meets current and future service demands and needs for our community”.

### Relevant Legislation

*Local Government Act 2020.*

### Financial and Risk Implications

Improved management of contracts may be required to ensure more timely invoicing by contractors in accordance with work schedules to better reflect actual project performance. This will be included in the new contract management guidelines. Reporting of project progress also provides Council and the community with an understanding of when projects will commence and communicates delays if they occur.

There are estimated underspends / savings of \$189,645 (amount to be confirmed by external audit) that is recommended to be returned to various Council reserves. This will provide funding for future capital works.

The recommended carry forward \$5,646,083 for capital projects and two non-capital projects of \$59,566 to the 2024/25 financial year.

This will be added to the adopted 2024/25 Capital Works Program which will then have a total similar to the 2023/24 Revised Budget. This does not represent a risk for delivery.

### Conflict of Interest

There were no conflicts of interest declared by Council officers in relation to the matters contained in this report.

### Community and Stakeholder Consultation

No external community or stakeholder consultation was required for this matter.

## 6.2 Kerbside Collection Services Policy

Department	Assets & Environment
Presenter	J Russell, Coordinator Resource Recovery
Approved by	C Lintott, Director Assets & Environment
Purpose	For decision
Attachment(s)	<ol style="list-style-type: none"> <li>Attachment 1 - Kerbside Collection Services Policy [6.2.1 - 12 pages]</li> <li>Attachment 2 - Kerbside Collection Services Policy - Maps Combined [6.2.2 - 23 pages]</li> </ol>

### Executive Summary

The Kerbside Collection Service Policy (the Policy) (see Attachment 1) proposes parameters for the future kerbside collection services including collection frequencies, where services would be mandatory or optional, and the framework for Waste and Recycling Charges to recover the cost of the services.

Community consultation on the Policy was undertaken from April – June 2024, garnering 209 responses. Broadly the responses indicate a majority of the community support the service model and the conditions outlined in the Policy. However, where opportunity was provided for open commentary, many people expressed opposition to various aspects of the proposed services.

As a result of the community feedback some alterations were made to the Policy.

In June 2024 the State Government released their *Proposed Household Waste and Recycling Service Standard 2024* (the Service Standards) which aims to ensure that kerbside collection services across the state are provided in a consistent way. The Service Standards emphasise

that Councils must provide the services as a kerbside service to all households unless it is “not reasonably practicable”. A submission was made to advocate for standards that meet our needs. The policy was not adjusted in response to the Service Standards which are in draft form.

The Service Standards are anticipated to be finalised by the end of 2024 and come into effect from 1 July 2027. The State Government will be able to enforce the adopted Service standards on Councils via the *Circular Economy Act 2021*.

## RECOMMENDATION

### That Council:

- 1. Adopt the Kerbside Collection Services Policy as contained in Attachment 6.2.1.**
- 2. Conduct a review of the Kerbside Collection Services Policy following the finalisation of the State’s Household Waste and Recycling Service Standards.**

### Background

In 2025, Council will introduce a 4-bin kerbside collection service in response to requirements placed upon Council by the *Circular Economy (Waste Reduction and Recycling) Act 2021*. The implementation of the 4-bin kerbside collection service is a significant change to one of Council’s key services. Some decisions about the nature of the service have already been made, including:

- that the service will be primarily delivered as a four-bin kerbside service
- the collection frequencies for each stream (general waste fortnightly, organics weekly, mixed recycling fortnightly and glass monthly).

These parameters are captured in the collection and processing contracts. However, there are other aspects of the service which are not yet determined.

A Draft Kerbside Collection Services Policy (the Policy) was put forward as the best way to articulate the conditions of the future kerbside services including:

- The service model including collection frequencies, standard service arrangements and bin sizes.
- The criteria which will determine if a service is mandatory or optional for a given property.
- Conditions of service provision, including exemptions and escalation processes for non-compliance.
- Any location specific variations to the service.
- The framework for Waste and Recycling Charges to recover the cost of the services and fund other waste and resource recovery activities.
- General conditions of service provision, including legal and State policy requirements.

In doing so the Draft Policy outlined some significant changes to the service and associated charges:

- Mandatory 4 bin service for urban residential properties and mandatory 3 bin service (organics optional) for rural residential properties on the collection route.
- Extending the collection route along all bitumen roads as well as a broader selection of gravel roads.
- Opt-in services for commercial and industrial properties.
- Charges comprising a Waste Management Charge for all properties, and cost recovery only Waste and Recycling Collection Charge and an Organics Collection Charge for properties with collection services.

The Draft Policy was presented to Council in March and advertised for public comment through various media platforms along with in person ‘pop-up’ sessions and a survey in April – June 2024.

## Discussion

### Community Feedback

Over 200 responses were received to the survey on the Draft Policy, which is considered a good response for a Council policy consultation process. There were also numerous phone calls and written submissions which were as much possible captured via the survey. At some of the pop-up locations, there were a significant proportion of community members who did not wish to fill out the survey but spoke with officers.

In general, there was broad support for some of the more potentially contentious aspects of the Draft Policy, including that services should be mandatory along the collection route and that the route should be extended to cover more of the Shire.

Support for the service and Policy was not unanimous, and the written feedback provides a view into some strongly held opinions that the new and existing services are not needed. Given the statewide rollout of these services being mandatory, this feedback cannot be considered from the viewpoint of adjusting the Policy.

Although Council has consulted in a traditional way and received what is considered strong consultation response, there was feedback to the effect that most people are unaware of the policy of the coming changes, and there is likely to still be substantial pushback from a minority of the community opposed to the changes. These views may be strongly expressed when it comes to the actual rollout, and this will need to be addressed through education to ensure the community is continuously engaged on the topic and understand the drivers and the mechanics of the new services.

On the flip side there was much feedback received that was overwhelming supportive, and lots of feedback that directly or indirectly provide direction for the education campaign in the lead up to the commencement of the new services. There was also some feedback that should be considered when looking at the collection route in detail.

On the topic of the Policy itself there were useful suggestions that justify some minor changes to the policy. These include:

- Concerns over fortnightly collections for families with people in nappies – both odour and volume concerns.
- Not enough space for 4 bins in multi-unit developments.

### Changes to the Policy

Based on feedback from the community and cognisant of the requirements of the State in relation to Service Standards and Service Charges for collection, the following changes to the Draft Kerbside Collection Services Policy are proposed:

- Allow free additional volume (extra or larger bin) of general waste disposal for families with people in nappies, time limited and subject to satisfactory proof being provided of the need. This was noted to also be a feature in the kerbside policies of some other Councils. Change section **5.13 Exemptions** to include:
  - Households with people in nappies  
“For Households having to dispose of nappies or incontinence products, the standard fortnightly 120 litre MGB service may be replaced with a larger 240 litre MGB service (or have an additional 120 litre MGB service added) at no extra cost at the request of the resident, subject to provision of suitable documentation to support the request. Council will keep a record of properties receiving the extra service and review the continued need for the extra service annually.”
- Allow that for multi-unit dwellings (units and flats) the residents may be able to utilise shared bins to reduce the space required for bin storage.

- Change section 5.12 Private Property and Multi-Unit Developments to add after paragraph 1:

“Where the property is to be serviced by Council’s collection contractor, multi-unit dwellings may share bins or change bin sizes subject to a waste management agreement being developed, and regulated by the owner/building manager, and approved by Council. Council will charge for the volume of service provided, and each property will continue to contribute individually to the Waste Management Charge”.

The Kerbside Collections Service Policy has been finalised and includes these changes (see Attachment 1).

### State Government influences

#### Service Standards

In June 2024 the State released their *Proposed Household Waste and Recycling Service Standard 2024* which aims to ensure that kerbside collection services across the state are provided in a consistent way. This includes defining what service arrangements are acceptable, with a priority placed on the 4-stream service being delivered as kerbside services, as well as providing list of materials that are acceptable and not acceptable in each stream.

Council is required to demonstrate why it is “not reasonably practicable” to provide a kerbside collection service at any residential property and refresh that assessment every three years. The allowable reasons for not providing a kerbside service are:

- a household does not have onsite space for bins (may apply to units)
- a collection vehicle cannot access the kerbside of the household (may apply to many roads in the Murrindindi Shire)
- the council has a geographically dispersed population (largely undefined).

There are aspects of the Proposed Service Standards which present problems for Murrindindi Shire and which Council will need to advocate on including:

- Food and garden organics services must be provided on an “opt-out” basis – if this requirement makes it to the final version of the Service Standards Council will not be able to mandate areas where the 4-bin service is mandatory. Allowing households to opt out will reduce the viability of the service, making it more expensive for those households who opt to retain the service.
- The Service Standard requires Council to maintain “a system ...to provide oversight of, and manage the administration of, the option to opt-out, including maintaining records of households that have opted out and the controls implemented to ensure that FOGO material does not enter the general rubbish service”. That is, Council needs to confirm that people have an alternative organics management process in place at their homes and undertake checks to confirm that organic waste is not appearing in the landfill bin. This has massive resourcing implications.
- Access requirements for drop off services including walking and public transport accessible - our proposed drop off points at our Resource Recovery Centres do not meet these requirements.

The State is consulting on the Service Standards. Feedback closed on 14 August 2024 and officers have prepared a submission on Council’s behalf.

It is recommended that currently Council does not alter the Policy to adjust to the Service Standards as they are not in final form. If Council’s advocacy on allowing organics collection to be mandatory is successful, then the policy will not need to be changed. If Council changes the policy so that organics is opt out wherever the service is available, and the State does alter the Service Standards in response to feedback then it will be a very difficult conversation to have with the community to reimpose a mandatory service to make the service more viable again.

### Ministerial Guidance on Service Charges

The Minister for Local Government has published Good Practice Guidelines under S.87 of the *Local Government Act 2020* to clarify the use of Service Rates and Charges for the collection of kerbside waste and recycling from properties.

Critically, the guidance indicates that Councils can only levy a kerbside waste and recycling service charge for services provided at the property and cannot use the charges to fund any other waste related activities such as public litter bin collection or subsidy of other waste services. The implications of this for how the Waste and Recycling Charges can be structured is still unclear, and officers are seeking external financial and legal expertise to enable the structure and quantum of the charges to be appropriately set.

Service rates and charges used to fund waste collection and management are not subject to the rate cap, and this guidance aims to narrow the definition of what is acceptable under the exemption to just those charges relevant to kerbside collection services provided at the property.

### Community Consultation

People were invited to comment about the Draft Kerbside Collections Services Policy by participating in a survey that closed 23 June 2024. This was advertised in print media, Facebook, and via hard copy posters and flyers in townships and gathering places. Pop-up information sessions were conducted outside supermarkets throughout the Shire in April and May 2024. The survey was accessible via The Loop.

Over 200 residents participated in the survey. Most people strongly supported the principals underpinning the Policy, which were:

- Council will implement the Victorian State Government's Circular Economy Policy in relation to the service standards
- Council will seek to divert the maximum possible amount of organic waste away from landfill
- Council will provide equitable access to services throughout the Shire
- Council will levy charges for kerbside service on a cost recovery basis
- All ratepayers will contribute to the cost of waste services that are not specific to their property.

### **Key Survey Findings**

- 41% of the participants believe and support these principals.
- 38% amount were unsure about the principals.
- The remainder of the participants skipped this part of the survey but offered their sentiments towards the principals that overall were supportive with caveats about the choice and level of service. Overall, that indicates a lot of interest and that we need to provide a lot of education in this area.
- Over 55% of people supported collections being mandatory for all households along the collection route.
- Over 66% of participants supported extending the collection route.
- Over 89% of people support the FOGO service being option in rural areas.
- Over 75% of people support commercial, industrial and non-residential farm properties being exempt from the mandatory collections' services.

Sentiment Data was captured and hugely varied from positive to negative, along with some clever ideas. Most feedback in the surveys were matched by the informal conversations and could be grouped into themes such as:

- Concerned about the potential cost of the new service.

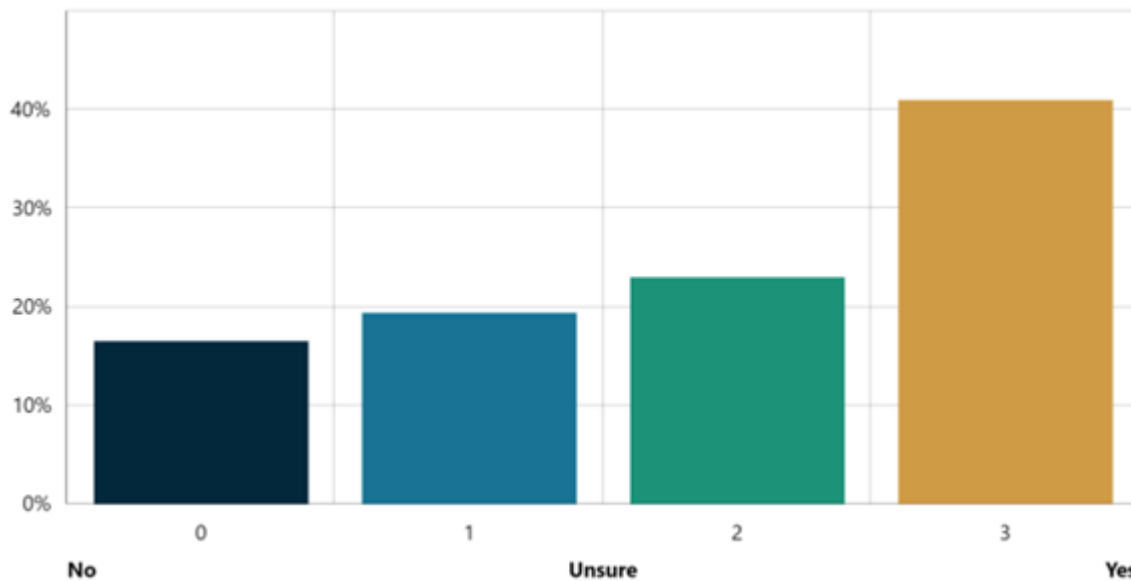


- Collection frequency feedback, especially for general waste.
- Extended collection routes which were generally supported.
- Optional FOGO and glass recycling services.

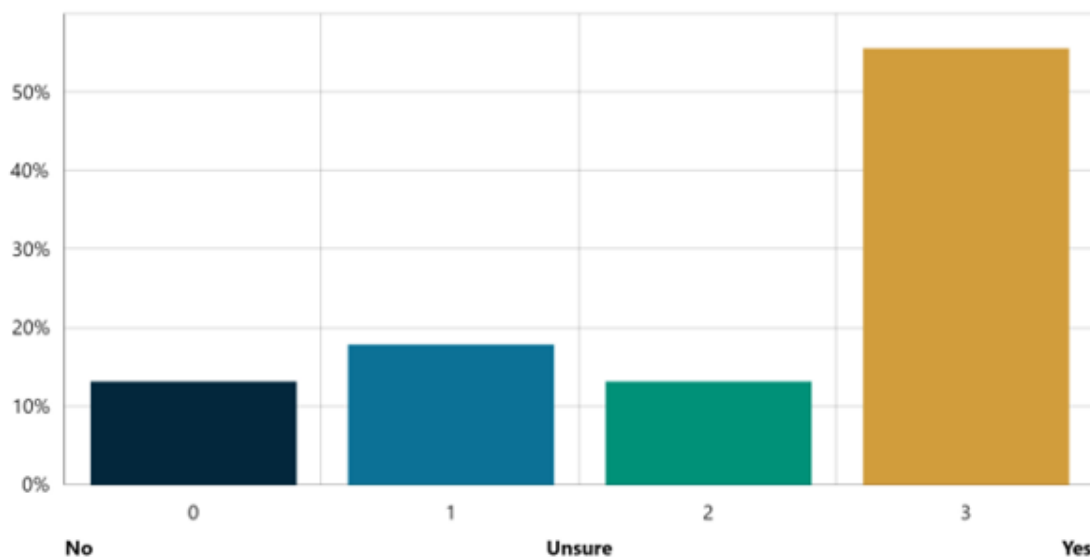
The general thrust of feedback will be very useful in developing and targeting education campaigns that can address areas where there are concerns or a lack of understanding. There were some great individual suggestions that will inform our further FAQ's, education and communication as well as the final Kerbside Collection Services Policy.

## Responses

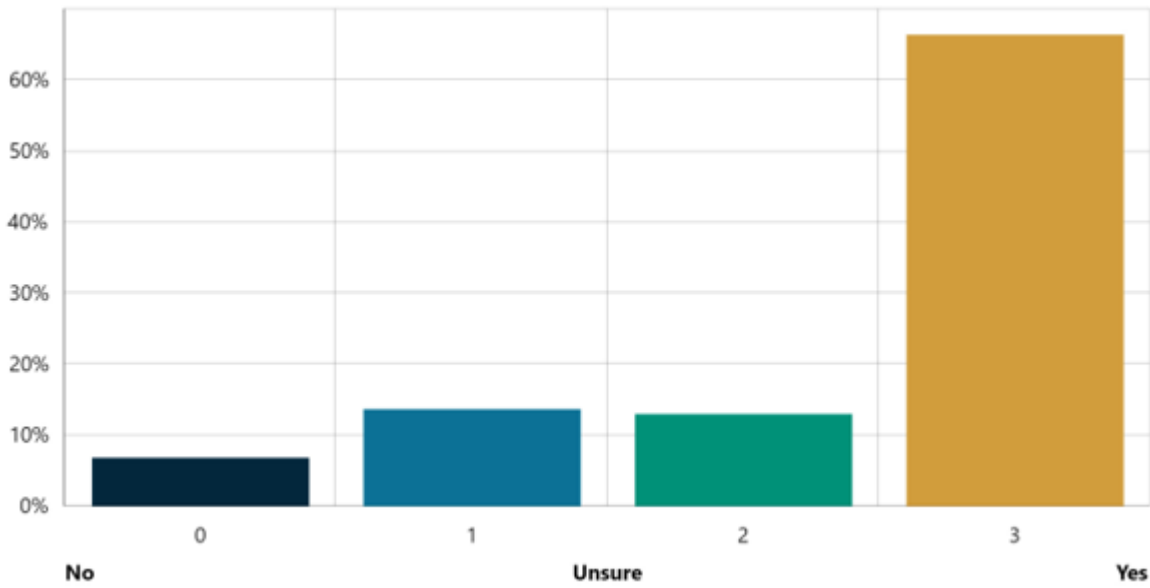
### Q1. Do you support these principles? (see above)



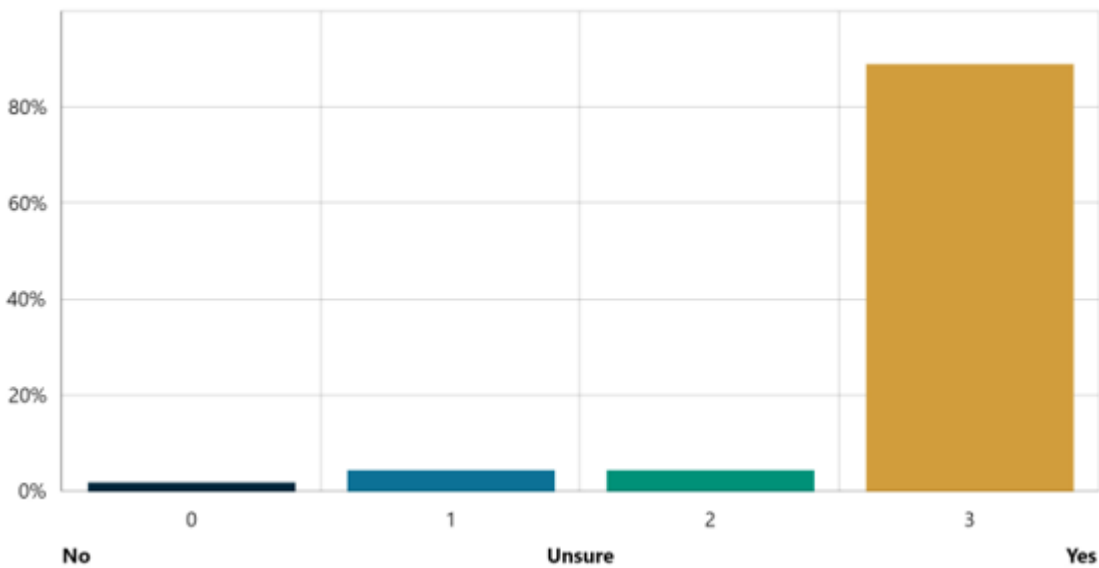
### Q2. Do you support collections being mandatory for all households along the collection route?



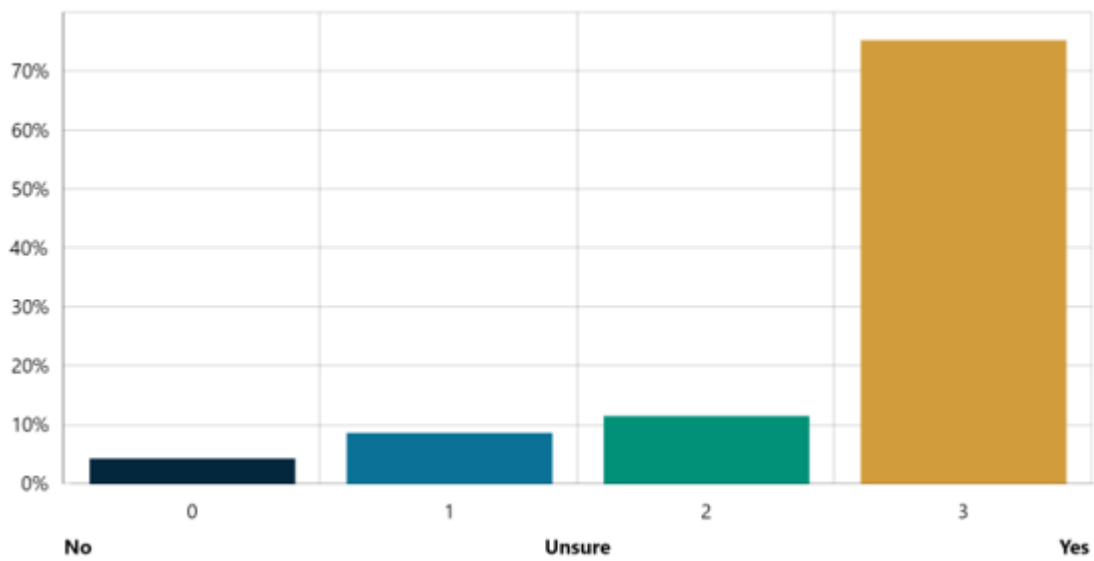
**Q3. Do you support extending the collection route to increase equity of access and waste diversion?**



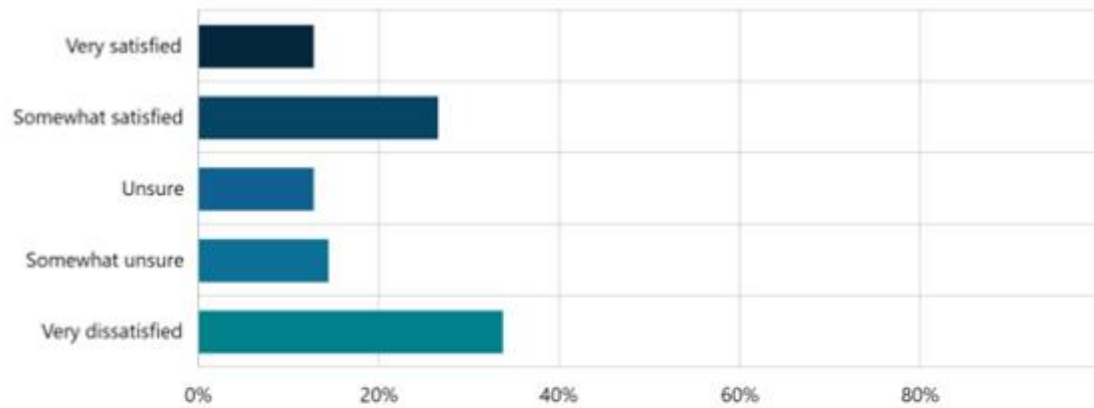
**Q4. Do you support the Food and Garden Organics service being optional in rural areas?**



**Q5. Do you support commercial, industrial and non-residential farm properties being exempt from the mandatory collections' services?**



**Q6. Overall, what best describes your response to the draft strategy?**



Answer choices	Percent	Count
Very satisfied	12.71%	23
Somewhat satisfied	26.52%	48
Unsure	12.71%	23
Somewhat unsure	14.36%	26
Very dissatisfied	33.70%	61
<b>Total</b>	<b>100.00%</b>	<b>181</b>

## Response Demographics

Acheron	5
Alexandra	30
Buxton	3
Castella	1
Eildon	13
Fawcett	1
Flowerdale	2
Glenburn	4
Kinglake	16
Kinglake West	8
Limestone	1
Marysville	9
Murrindindi	2
Highlands	1
Koriella	1
Pheasant Creek	4
Rubicon	1
Taggerty	1
Thornton	1
Yarck	2
Yea	18
Other	82

### Council Plan/Strategies/Policies

This report supports the *Council Plan 2021-2025 Our Protected Environment* strategy “minimise waste and increase recycling to reduce our environmental footprint”.

### Relevant Legislation

The *Local Government Act 1989* enables Council to levy charges for waste services, and the *Circular Economy (Waste Reduction and Recycling) Act 2021* (the CE Act 2021) requires Council to put in place 4 stream waste service. The Service Standards will be enabled by the CE Act 2021.

### Financial and Risk Implications

The Policy describes the way that the Waste Charges will be structured, but not what value of the charges will be.

It is proposed that there will be a broad Waste Management Charge that will apply to all rated properties irrespective of whether a kerbside service is provided or not. This will cover costs associated with waste management that are not related to the kerbside service, such as administration, waste education, public litter bins, dumped rubbish and subsidies provided for disposal at Council's resource recovery centres.

These proposed charges will need to be in line with the new Ministerial Guidelines for service charges.

There will also be a Kerbside Service Charge that will apply to all properties with a kerbside service, and a separate Organics Service Charge that will apply only to those properties that have an organics service. These Service Charges will be set at cost recovery only, including the cost of collection and disposal in accordance with the guidelines.

There is still some uncertainty around aspects of the Ministerial Guidelines with respect to areas of our services, specifically the subsidised services offered at the Resource Recovery Centres and the service charge components associated with operating our own landfill rather than using a commercial service. As these uncertainties are resolved, we will be able to accurately calculate the various service charges for the first year of operation and update the policy if required.

### **Conflict of Interest**

There were no conflicts of interest declared by Council officers in relation to the matters contained in this report.

### **Community and Stakeholder Consultation**

A community engagement program was undertaken to seek community feedback on the Policy from 24 April to 23 June 2024, including:

- Information made available on Council’s community consultation website “The Loop”.
- “Pop-Up opportunities to talk to council staff in person during May 2024 at:
  - MIRA in Marysville
  - Eildon Grocer
  - Alexandra Rotunda
  - Kinglake Food Works
  - Yea Food Works
- A survey seeking public comment on the Draft Policy, available online and at service centres.
- Letters to all properties along roads where it is proposed that the collection route may be extended advising of the potential implications of the policy to their specific property and inviting feedback and survey responses.

209 responses were received during this process.

## **6.3 Flat Lead Road Forestry Project**

Department	Sustainability & Assets
Presenter	P Bain, Manager Sustainability & Assets
Approved by	Director Assets & Environment
Purpose	For decision
Attachment(s)	1. CONFIDENTIAL REDACTED - Flat Lead Road Forestry Project - Financial Analysis [6.3.1 - 1 page]

### **Executive Summary**

This report summarises the results of further investigation into costs and benefits of a proposed forestry use for the Council property at Flat Lead Road, Yea. It provides for an expanded forestry model with key life spans of 30 and 100 years as explained below and recommends commencement of the Flat Lead Road Forestry Project.

Initial investigation of plantation only forestry with carbon capture for the site yielded a marginal return on investment as previously reported to Council. This was partly due to the relatively small

size of the site which did not provide value for money in establishing and administering the plantation and carbon credit schemes.

Further investigation shows that by converting remaining areas on the site that are not suitable for plantation to native vegetation for offset purposes improves the expected return and makes the project viable. The proposed model generates multiple streams of income for the site at different timeframes: Plantation timber will have income at several maintenance intervals and at final harvest. Carbon credits will be earned continuously for varying periods for the plantation timber and the native forest. Vegetation offset credits will be earned at infrequent intervals.

It is proposed to fund the implementation of the multiple forestry model from borrowings as outlined in Council's adopted 2024/25 Annual Budget.

## RECOMMENDATION

### That Council:

1. **Approve the Flat Lead Road Forestry Project for implementation**
2. **Approve the funding of the Project from Council borrowings to a maximum of \$380,000, as foreshadowed in Council's Annual Budget 2024/25.**
3. **Authorise the Chief Executive Officer to sign any necessary registration and licensing applications for the Project.**

## Background

The Council-owned site known as 10 Flat Lead Road Yea is about 74.4 hectares and bordered on one side by the Whittlesea-Yea Road. The Flat Lead Road Forestry Project proposes to use about 56.4 hectares of the site for multiuse forestry and carbon credit production and the remaining 18 hectares directly opposite the Yea Saleyards to be set aside for future Council uses.

The proposed expanded project aims to improve outcomes by planting native vegetation and therefore offsetting existing Council obligations as well as developing a plantation forest:

- Meet the need to offset native vegetation removed or compromised during Council projects, such as road construction schemes.
- Use the long-term carbon stored or sequestered in trees to offset future Council emissions, enabling Council to meet its target of net zero greenhouse emissions by 2035.

In both cases, planting vegetation on Council owned land is a viable alternative to the significant costs of purchasing vegetation and carbon offsets through the offsets market. Trees planted for offsets can also be harvested for an economic return. The plantings also provide other social and economic benefits to the community.

The project has been investigated over several years, and external expertise has been sought on various aspects of the farm forestry enterprise. Each consultant has contributed information from their area of expertise, building knowledge but also complexity. This work shows that a multi outcome approach provides the greatest opportunity and benefit to Council.

There are four uses proposed for the Flat Lead Road Forestry Project:

Use	Primary Purpose	Secondary Purpose
Timber plantation (Native species)	Timber for hardwood sawlogs harvested after 30 years. Pulp or firewood from thinnings. Note several events in 30 years.	Produce Australian Carbon Credit Units (ACCUs) if acceptable timber species are used.  Allows for periodic grazing.
Carbon farming	Sequester the carbon associated with timber growth and generate ACCUs. For plantation timber the credit units are discounted. For native vegetation the units are not discounted.	
Mixed native vegetation	Planting native species for habitat value, so Council can claim habitat units as offsets for native vegetation removed in Council projects.	For social engagement, community involvement in plantings etc.  Grazing may be permitted.
Grazing	Continuing existing use for income.	

There are differing plantation requirements and measurement methods to produce ACCUs and native habitat offsets. This means that the two purposes do not easily overlap and are best used in different sections of a property rather than being mixed.

The table below summarizes the main learnings from the consultant reports.

Overview	Notes	Report Author
Site suitable to grow plantation of Sugar Gum (mainly), and Red Ironbark, both interspersed with Lightwood.	Conducted soil and environmental assessments. Produced original plans for layout of the site with plantation areas and some habitat areas. Initial economic assessment. The soil analysis showed the site needs significant soil improvement for both grazing and plantation use.	Just Add Trees (Clinton Tepper)
Marginal economic return from plantation project – potential for extra returns for sales of ACCUs.	The calculation of ACCUs incorrectly used a factor for ACCU/Ha as ACCU/Ha/year, grossly overestimating the ACCUs.	Urban Enterprise
ACCU potential of the site, for area planted with a monoculture of Sugar Gum.	Used the required Fullcam model to evaluate ACCUs and costs. Fullcam models are based on data from species that have been studied for data. Sugar Gum is a characterized species. Red Ironbark is not. An alternate timber is blue gum.	Carbon Farming Foundation (CCF)
Potential for habitat areas using mixed species.	Site inspection showed the potential for areas of habitat improvement based on residual native vegetation. This would concentrate along the waterway and the southeast portion of the property.	Hagan-Olive (Euroa Arboretum)
Contour catchment drains on the site could increase water availability for tree survival and improved growth	Given the soil type, contouring would need to be carefully surveyed to be shallow and could match internal tracks. This study also recommended action for creek habitat improvement.	Adrian Drew

Council can gain multiple benefits from the site that are integral to Council's operations. Council has two key goals arising from policy and legislation:

- 1) Achieving net zero greenhouse emissions by 2035.

This Council policy is the cornerstone of its mitigation response to the impacts of climate change. The reduction of corporate emissions includes using zero carbon electricity, energy efficiency, transition to zero emissions equipment, and waste management to reduce emissions from waste disposal. Modelling of emissions shows there will be residual ongoing emissions after 2035, mainly from waste disposal. These emissions need to be offset by storing (sequestering) carbon in trees. In Australia carbon can be grown and traded using Australian Carbon Credit Units (ACCUs) in a scheme managed by the federal government. The trading scheme works within specified parameters to project the ACCUs generated by a carbon project. Through trading, a spot price is generated to buy ACCUs. The price range has been \$30-\$40 per ACCU, and this report uses \$35 per ACCU. Current projections are that Council's annual residual after 2035 will require the purchase of more than 2700 ACCUs per year, with a current cost of \$95,000.

2) Offsetting the impacts of Council projects on native vegetation.

Council is required by Victorian legislation to offset the damage and removal of native vegetation occurring due to Council construction projects. Careful planning can minimise this damage and offset requirements, and Council is obliged to 'avoid and minimise' before impacting native vegetation. The vegetated nature of Murrindindi Shire means Council projects can generate impacts with significant vegetation offset requirements. Damage and removal are offset by establishing new habitat vegetation, often by improving a site that has some existing habitat characteristics, for example some old trees. Council can generate these habitat offsets by improving and protecting native vegetation on land it owns or buying offsets in the market.

This table sets out the uses that can co-exist on a forestry site at Council's site at 10 Flat Lead Road, Yea and some of the key drivers and factors relating to the project.

Use	Benefit	Costs of alternative market approaches
Timber plantation (Native species)	Harvest the mature hardwood timber to produce income from thinning (twice during the plantation) and a major harvest at around 30 years.	The alternate approach is to retain the land for grazing.
Carbon farming	Support Council's policy is to achieve net zero greenhouse emissions by 2035. Previous modelling shows that Council will need to offset a residual of 2700-3000 tonnes CO <sub>2</sub> -e per year from 2035. This equals 2700-3000 ACCUs/year. CCF analysis shows the Flat Lead Road site will produce sufficient ACCUs over the project's life.	Purchasing 2700 ACCUs per year.  Cost about \$95,000 pa based on \$35 per ACCU current expected value. Cost about \$135,000 pa based on the current upper value of \$50 per unit.
Mixed native vegetation	When Council removes or compromises native vegetation during projects, there is a legislated requirement to replant or buy habitat units.	The offset value for native vegetation removal is between \$95,000 and \$120,000 per unit based on regional prices.
Grazing	Produces income. The site requires maintenance and soil improvement.	The alternate cost of improvements required to hold this land for grazing has not been assessed.
Local Benefits	The project will demonstrate the factors involved in farm forestry, including land management, the benefits of soil and water improvements, and the mechanics of establishing a multi-use farm forestry project.	These benefits are general and not valued in \$ terms.



Use	Benefit	Costs of alternative market approaches
	<p>There is an environmental benefit from the establishment within the Murrindindi Shire of offset plantations. A Council project could initiate local interest by others to rehabilitate land for this purpose.</p> <p>The mixed species plantation on the east side of the creek could include a walking track.</p>	

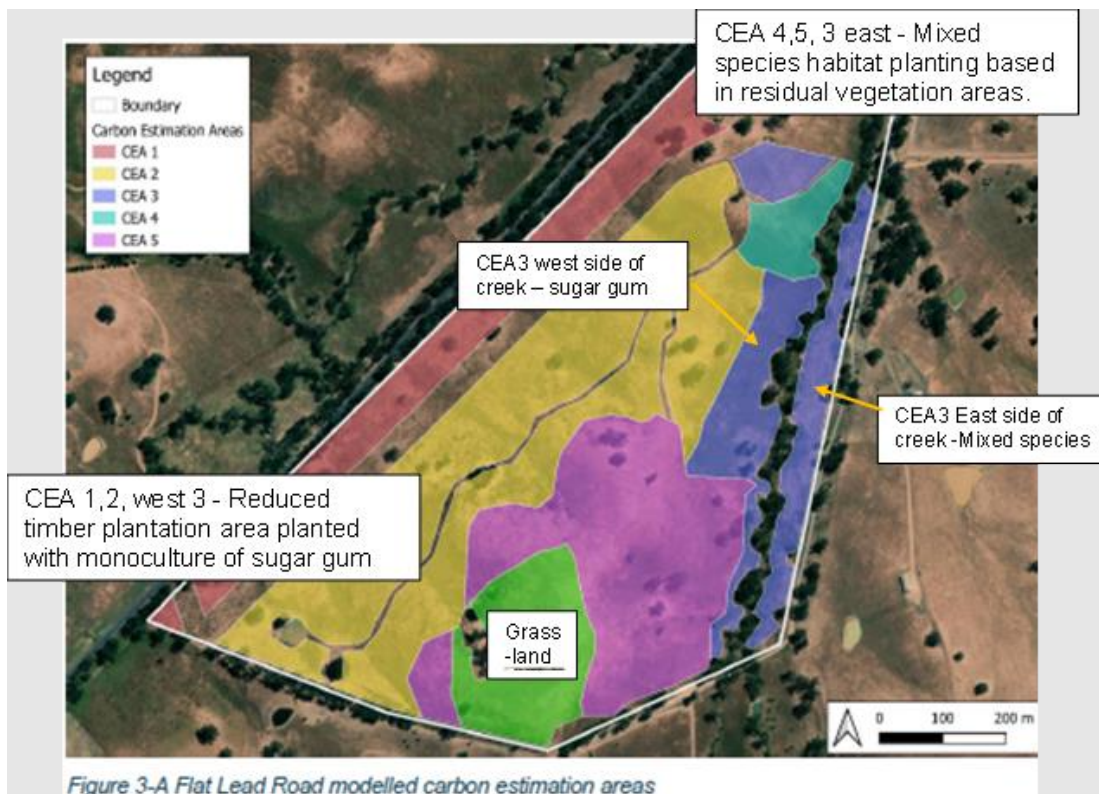
### Discussion

The proposed concept for the Flat Lead Road site was to mix these uses in the main forested area, with a mix of species across the site. Some areas will be dominated in species relating to timber production, and a small area will use mixed species for biodiversity. This approach aims to join biodiversity gains with timber production. However, the modelling and validation techniques used in the ACCU scheme are based on a monoculture that uses key timber production species. While the mixed species used for habitat also generate ACCUs, the rate is one fifth the ACCUs generated by recognized timber production species, such as Sugar Gum.

This has led to a revised approach where the planning continues the multi-use approach, but in distinct areas, rather than being mixed development as originally planned.

### Developing the Site Plan

To allow for the best use of the site characteristics and produce both carbon and habitat offsets, the proposed site plan has been modified, but still based on the investigations by Just Add Trees. This has increased the area of mixed species that can be used as habitat offset. Although the area of timber has been decreased, it has been altered to be monoculture Sugar Gum to maximise the ACCUs produced.



### Carbon and Habitat Offset Production

Zone	Type	Area (ha)	Eligible Hectare	Total CO2/Ha	ACCUs ** (75% of gross CO2)	Habitat Offset units
CEA1	Sugar Gum	12.8	8.5 *	318	2030	nil
CEA2	Sugar Gum	20.4	20.4	318	4870	nil
CEA3	Sugar Gum	7.5	7.5	318	1770	nil
CEA4	Mixed species	1.6	1.6	60	210	TBC Between 4.5 and 15 Habitat Units
CEA5 & 3 east	Mixed species	14.1	14.1	61	510	
					9390	

\*Eligible area is less due to existing vegetation along roadside boundary

\*\* The factor of 0.75 is applied due to the forest life being 25 years, not 100 years

### Achieving Net Zero Greenhouse Emissions

CFF has modelled the ACCUs using the accepted modelling method (Fullcam). The projected ACCUs from the Sugar Gum is 9390 ACCUs for the life of the plantation. Portions of the ACCUs are released periodically over the life of the plantation. The ACCUs from this site will be a proportion of the ACCUs needed to achieve net zero carbon.

To achieve net zero greenhouse emissions, Council should combine several options:

- (1) Reduce the residual emissions after 2035.  
Consultants are currently evaluating the reductions arising from improved landfill capping and gas management, and the process to separately treat FOGO. It is anticipated these improvements will reduce the offsets needed for residual emissions.
- (2) Investigate the Mount Pleasant site adjacent to Alexandra landfill for further planting for carbon and habitat offsets.  
The costs of monitoring and auditing for the ACCU process are high and CFF advises that including a second site will spread the same cost across both sites.
- (3) Budget to buy both carbon offsets on the market.  
These offsets will not occur within the Murrindindi Shire.

### Providing Offsets for Removed Native Vegetation

The area along the creek line is proposed to be used for mixed species planting to achieve a high-quality vegetation habitat. There are some existing mature remnant trees which will be supplemented by grasses, bushes and young trees. The top of the hill is to be planted with endemic species grasses. The benefit of the area as native vegetation offset increases over time as the forest develops.

The regional value of native vegetation for offsetting removal elsewhere is relatively high up to \$120,000 per hectare (habitat unit). Murrindindi Shire Council projects typically require fractions of a hectare each year so the proposed plantings will have an ongoing benefit. Note that the quality of the native offset forest, as established by an auditor, determines the value of the habitat unit. Engaging the community in offset

### **Council Plan/Strategies/Policies**

This report supports the *Council Plan 2021-2025 Our Protected Environment* strategy “in partnership with the community, develop and deliver climate change adaptation and mitigation programs and practices to reduce our environmental impact”.

## Relevant Legislation

The use for timber does not require a Planning Permit in this Farming Zone. This is a requirement to register the plantation for timber production and for carbon credits under the relevant acts and regulations. The area for native vegetation also needs to be registered with DEECA.

There is a possibility that an aboriginal cultural heritage management plan may be required along the frontage to Whittlesea-Yea Road. This needs further investigation and could be mitigated by providing a buffer along the roadside frontage.

## Financial and Risk Implications

The combination of uses proposed for the Flat Lead Road site were analysed over 30 years, from year 0 (planning year) to year 29, when timber is harvested as shown in the attachment.

Retention for carbon units ends at year 28 (25 years from the first audit, at year 3) for plantation timber. The mixed species plantation for habitat offsets (and some carbon offsets) will be retained in perpetuity, but practically is 100 years. Although maintenance will be required ongoing, it will be significantly reduced after 20 years.

Use \$ over 30 years	Base Case - Grazing	Timber plantation	Carbon farming (based on \$35/ACCU)	Mixed native vegetation – habitat offsets
Revenue	\$285,600	\$877,000	\$325,000	\$315,000
Costs	-\$ 60,000	-\$423,600	-\$283,000	-\$100,000
Net Benefit/Loss	\$225,600	\$453,400	\$142,000	\$215,000

Due to the lack of forecast prices for timber out 30 years, we have used current values only.

Note that it is expected, at this stage, that the project will offset all or most of Council's future obligations for carbon offset and native vegetation offset and not be resold to third parties.

The project requires funding of \$350,000 over the first two years plus \$30,000 contingency to initiate the project based on the figures provided in the consultants' advice. This constitutes most of the capital investment in the project including preparation of the site, purchase of trees and planting.

A Net Present Value analysis shows a positive return value at 7% discount rate, that is compared with an alternative investment returning 7% and large positive return at 2.5%.

The primary risk is the future value of the harvested timber however it should be noted that ABARES forecasts show a continuing demand for hardwood well into the future and that growth in plantations planted is mostly for softwoods.

The available price for carbon credits has been steady over the last few years of the study however there is indication that it may rise towards \$50 per ACCU which improves the return on investment. It is unlikely that the carbon price will fall in the near term.

The adoption of Council's Annual Budget 2024/25 included the provision to borrow up to \$3 million to fund several potential projects, including this project, subject to producing a viable business plan for each project. The financial analysis provided in this report demonstrates the viability of the Flat Lead Road Forestry project, with a positive net present value over the life of the project.

Whilst the Annual Budget 2024/25 provided an estimate of \$320,000 for borrowings for this specific project, borrowing up to a maximum of \$380,000 is well within the \$3 million provision established in the Annual Budget 2024/25.

Council's Borrowings Policy provides for borrowing for investment in significant initiatives that, align with the Council Plan, provide long-term, intergenerational benefits, is within Council's risk appetite and provides for a financial return on investment that meets, or contributes to the cost of borrowing. This project meets these criteria.

### **Conflict of Interest**

There were no conflicts of interest declared by Council officers in relation to the matters contained in this report.

### **Community and Stakeholder Consultation**

External community or stakeholder consultation was not applicable at this stage of the project.

## **6.4 Contract 24/15 - Quarry Products Panel**

Department	Operations & Maintenance
Presenter	C Lintott, Director Assets & Environment
Approved by	Director Assets & Environment
Purpose	For decision
Attachment(s)	1. CONFIDENTIAL REDACTED - Confidential Attachment 1 - Contract 24/15 - Quarry Products Panel [6.4.1 - 6 pages]

### **Executive Summary**

This report recommends to award suitable suppliers for CONT 24/15 - Quarry Products Panel Contract for an initial period of three years with an optional two-year extension period subject to satisfactory performance by the supplier and at the discretion of Council.

The scope of the contract is to provide suitable materials required for a variety of construction, civil and maintenance projects including road works, landscaping and other civil works. The products include aggregate (various sizes ranging from 10mm – 80mm), crushed rock/road base (20mm – 100mm), treated cement, crusher dust/quarry dust and rock spalls (100mm – 700mm).

Council recently conducted a public tender for these works which closed on 29 July 2024 at 3.00pm. Seven submissions were received at the close of the tender. A detailed evaluation was undertaken in line with Council's Procurement Policy and against the tender evaluation criteria by the Tender Evaluation Committee.

This report, and the confidential attachment, outlines the procurement and evaluation process undertaken to appoint suitable suppliers to provide the materials/products within CONT24/15 - Quarry Products Panel Contract.

Based on the evaluation, the Committee recommend that all tenderers - Tender 1, Tender 2, Tender 3, Tender 4, Tender 5, Tender 6 and Tender 7 be awarded CONT 24/15 - Quarry Products Panel Contract for a three-year period with an optional two-year extension, not exceeding a total of five years commencing on 30 August 2024 and ending no later than 29 August 2029. This contract being a schedule of rates contract will not exceed a total spend of

\$4,000,000 over the five-year term if all options are exercised. The Schedule of Rates is fixed for the first term and then subject to review at the commencement of the optional extension term in accordance with the rise and fall formula in the contract.

## RECOMMENDATION

### That Council:

**1. Award Contract 24/15 - Quarry Products Panel Contract to the following suppliers:**

- Tender 1
- Tender 2
- Tender 3
- Tender 4
- Tender 5
- Tender 6
- Tender 7

**for an initial period of three years commencing on 30 August 2024 and ending on 29 August 2027 with an option for a two-year extension;**

- 2. Approve a total contract amount of \$4,000,000 over the five-year contract period;**
- 3. Authorise the Chief Executive Officer to extend Contract 24/15 - Quarry Products Panel Contract for the optional two-year period subject to satisfactory performance and;**
- 4. Release the name of the successful Tenderers into the Minutes of the 28 August 2024 Scheduled Meeting of Council.**

### Background

Council is responsible for maintaining, renewing and upgrading the road networks that are owned by Council. A range of products/materials are required to deliver these works to comply with the VicRoads Code of Practice for Registration of Crushed Rock Mixes RC500.02, the VicRoads Standards for Aggregate or otherwise specified by Council.

Council has a legislative obligation to provide safe and trafficable for its roads within the Shire.

### Discussion

The request for tender was placed on the e-tendering portal from 28 June 2024. Council's current quarry product panel suppliers were invited to the open market tender opportunity. The tender for products/materials closed on 29 July 2024. Seven submissions were received at the close of the tender.

### Assessment Process

In accordance with Council's Procurement Policy a tender evaluation committee (Committee) was formed to evaluate the submissions. The members of the Committee comprised of:

- Acting Coordinator Asset Maintenance (Chair)
- Team Leader Unsealed Roads
- Capital Works Engineer

The Committee members first independently assessed the tenders to determine if they conformed with the requirements. A clarification was requested from one tenderer. Following the review of the documentation all tenders were deemed conforming and proceeded to evaluation. Tenders were assessed against the following criteria:

- Price – 40%
- Capacity to deliver (resources, equipment) - 20%
- Capacity to deliver (OH&S, systems) - 15%
- Understanding of the requirement – 15%
- Social Procurement – 5%
- Sustainable Procurement – 5%

A summary of the evaluation and individual scoring is included in the attached confidential report.

### Council Plan/Strategies/Policies

This report supports the following strategies under the *Council Plan 2021-2025 Beautiful Towns and Rural Settings* pillar to:

- “connect our communities through improved roads, footpaths and public transport”.
- “provide fit-for-purpose infrastructure that meets current and future service demands and needs for our community”.

This report also supports the *Council Plan 2021-2025 Transparency, Inclusion and Accountability* strategy to “ensure Council remains financially-sustainable through sound management, forward planning, innovative service delivery and asset consolidation as appropriate”.

### Relevant Legislation

The procurement process for these works was carried out in accordance with Council’s Procurement Policy and section 186 of the *Local Government Act 2020*.

### Financial and Risk Implications

Funds for this contract are delivered from approved operational and capital budgets each financial year. Council expenditure in the operational area for quarry products is approximately \$250,000/year. Capital budgets are determined on a yearly basis and will be dependent on applicable projects. This service will be utilised to meet approved budgets.

Pricing analysis average is calculated below based on the four most utilised products with delivery to Alexandra, Yea, Kinglake, Eildon and Marysville. This total price of the four products is multiplied by the five areas and divided by 20 (total products quoted on) to achieve the average price per tonne score.

<b>Price/Rates - to Alexandra, Yea, Kinglake, Eildon and Marysville</b>							
<b>Supplier</b>	<b>Class 3 FCR Dry - 20mm</b>	<b>Class 3 FCR Dry - 40mm</b>	<b>Class 4 FCR Dry - 20mm</b>	<b>Class 4 FCR Dry - 40mm</b>	<b>Total Pricing per area</b>	<b>Total Price (5 Areas)</b>	<b>Average Price Score</b>
(Tender 1)	\$20.11	\$16.75	\$16.45	\$14.56	<b>\$67.87</b>	<b>\$339.35</b>	<b>\$16.97</b>
(Tender 2)	\$25.00	\$26.00	\$21.00	\$21.00	<b>\$93.00</b>	<b>\$465.00</b>	<b>\$23.25</b>
(Tender 3)	\$25.00	\$25.00	\$20.00	\$17.00	<b>\$87.00</b>	<b>\$435.00</b>	<b>\$21.75</b>
(Tender 4)	\$24.75	\$24.20	\$20.90	\$20.90	<b>\$90.75</b>	<b>\$453.75</b>	<b>\$22.69</b>
(Tender 5)	\$26.64	\$26.64	\$21.65	\$21.65	<b>\$96.58</b>	<b>\$482.90</b>	<b>\$24.14</b>
(Tender 6)	\$23.98	\$23.98	\$17.60	\$17.60	<b>\$83.16</b>	<b>\$415.80</b>	<b>\$20.79</b>
(Tender 7)	\$27.00	\$27.00	\$22.00	\$22.00	<b>\$98.00</b>	<b>\$490.00</b>	<b>\$24.50</b>

### Conflict of Interest

There were no conflicts of interest declared by Council officers in relation to the matters contained in this report.

### **Community, Stakeholder and Communication Consultation**

External community or stakeholder consultation was not applicable.

## **6.5 Contract 24/13 - Flood Recovery Bridge and Roadworks Strath Creek**

Department	Operations & Maintenance
Presenter	C Lintott, Director Assets & Environment
Approved by	Director Assets & Environment
Purpose	For decision
Attachment(s)	1. CONFIDENTIAL REDACTED - Confidential Attachment 1 - Contract 24/13 - Flood Recovery Bridge and Roadworks Strath Creek [6.5.1 - 4 pages]

### **Executive Summary**

This report recommends the awarding of CONT24/13 - Flood Recovery Bridge and Roadworks, Strath Creek to a suitable contractor. The awarding of these works will be subject to approval from Department of Transport and Planning for funding of the entire project through the Disaster Recovery Funding Arrangements (DRFA).

Following a natural disaster and as part of the recovery process, funding assistance is available through the Disaster Recovery Funding Arrangements (DRFA). This funding is the means through which the Australian Government provides funding to states and territories to share the financial burden of responding to a natural disaster and supports the provision of urgent financial assistance to disaster affected communities. This funding includes the restoration of essential public assets.

A number of claims under this funding arrangement have been submitted by Council, however due to the number of other claims Victoria wide, we are still waiting for the outcomes of our submission.

These works have been tendered to ensure Council meets the timelines of the funding agreement, should Council be successful in securing funding

The scope of the works is to undertake various repair works on the following:

1. Richards Bridge King Parrott Road, Strath Creek
2. Raytons Bridge on Fairview Road Kerrisdale, and
3. Multiple roads in the Strath Creek, Kerrisdale and Flowerdale areas.

Based on the evaluation, the Committee recommend that Tender 1 be awarded Contract 24/13 - Flood Recovery Bridge and Roadworks, Strath Creek if funding is approved by the Department of Transport under the Disaster Recovery Funding Arrangements program.

## RECOMMENDATION

### That Council:

1. **Award Contract 24/13 - Flood Recovery Bridge and Roadworks Strath Creek to Tender 1 for the total revised sum of \$423,838.03 conditional on the receipt of funding from the Department of Transport and Planning through its Disaster Recovery Funding Arrangements (DRFA).**
2. **Release the name of the successful tenderer into the minutes of the 28 August 2024 Scheduled Meeting of Council.**

### Background

Murrindindi Shire Council was significantly impacted by the October 2022 floods and January 2024 floods.

As part of the recovery, assistance is available through the Disaster Recovery Funding Arrangements (DRFA). This funding is the means through which the Australian Government provides funding to states and territories to share the financial burden of responding to a natural disaster and supports the provision of urgent financial assistance to disaster affected communities. This funding includes the restoration of essential public assets.

A number of claims under this funding arrangement have been submitted by Council, however due to the number of other claims Victoria wide, we are still waiting for the outcomes of our submission.

Due to the size of the package of works, tenders were sought for bridge and road repairs in the Strath Creek area to restore damaged essential infrastructure. This enables accurate costs to be presented for the claim and also ensures our ability to meet the timeframes of the funding agreement should Council be successful with their application.

### Discussion

The request for tender was placed on the e-tendering portal from 23 April 2024. The tender closed on 16 May 2024 at 3:00 pm.

Three submissions were received at the close of tender.

### Assessment Process

In accordance with Council's Procurement Policy, a tender evaluation committee (Committee) was formed to evaluate the submissions. The members of the Committee comprised of:

- Flood Recovery Officer (Chair)
- Flood Recovery Support Officer
- Manager Operations & Maintenance

The Committee members first independently assessed the tenders to determine if they conformed with the requirements. Following the review of the documentation all tenders were deemed conforming and proceeded to evaluation.

Tenders were assessed against the following criteria:

- Price – 50%
- Capacity to deliver (resources, equipment) - 20%
- Understanding of the requirement – 10%
- Relevant experience – 10%



- Social Procurement – 5%
- Sustainable Procurement – 5%

Confirmation of price was sought from Tender 1 due to some variances in comparison to the other prices submitted. The tenderer confirmed all pricing with two minor variations made resulting in a cost increase of \$4,999.25.

A summary of the evaluation and individual scoring is included in the attached confidential report.

Based on the analysis undertaken, the Committee recommend Tender 1 be awarded Contract 24/13 - Flood Recovery Bridge and Roadworks, Strath Creek dependent on receipt of funding through DRFA.

### **Council Plan/Strategies/Policies**

This report supports the *Council Plan 2021-2025 Beautiful Towns and Rural Settings* strategic objective “to provide fit-for-purpose infrastructure that meets current and future service demands and needs for our community”.

### **Relevant Legislation**

The procurement process for these works was carried out in accordance with Council's Procurement Policy and section 186 of the Local Government Act 2020.

The works will be undertaken in accordance with VicRoads Standards.

### **Financial and Risk Implications**

These works are unfunded by Council. A claim for these works has been submitted under the Department of Transport and Planning's DRFA claim process. These works will not proceed until funding approval has been received from the funders and that these funds meet the cost for these works.

The risk is that Council is not approved for funding through DRFA due to lack of information to substantiate a claim. However, this is being managed by regular fortnightly meetings with the Department of Transport Council assessors.

### **Conflict of Interest**

There were no conflicts of interest declared by Council officers in relation to the matters contained in this report.

### **Community, Stakeholder and Communication Consultation**

External community or stakeholder consultation was not applicable.

## **6.6 Contract 24/1 - Gravel Roads Resheeting Program 24/25**

Department	Sustainability & Assets
Presenter	P Bain, Manager Sustainability & Assets
Approved by	Director Assets & Environment
Purpose	For decision
Attachment(s)	1. CONFIDENTIAL REDACTED - Confidential Attachment 1 - Contract 24/1 - Gravel Roads - Resheeting Program 2023-2024 [6.6.1 - 11 pages]

## Executive Summary

This report recommends awarding a suitable contractor for CONT24/1 Gravel Roads – Resheeting Program 2024-2025.

The scope of the contract is to undertake rehabilitation works by resheeting unsealed pavements on fourteen roads and a further nine roads, should funding become available through Roads to Recovery funding or savings that are proposed to be carry forward from the 2023/2024 capital works program. Additionally, the scope includes the rehabilitation of the shoulders for two sealed roads.

Council recently conducted a public tender for the works which closed on 30 July 2024 at 3.00pm. Nine submissions were received at the close of tender. A detailed evaluation was undertaken in line with Council’s Procurement Policy and against the tender evaluation criteria by the Tender Evaluation Committee.

This report, and the confidential attachment, outlines the procurement and evaluation process undertaken to appoint a suitable contractor for CONT24/1 Gravel Roads – Resheeting Program 2024-2025.

## RECOMMENDATION

**That Council:**

**1. Award Contract 24/1 - Gravel Roads Resheeting Program 2024/25 to Tender 2 dependent on passing a company financial assessment, for the lump sum price of \$628,889 to complete all required resheeting works for the following roads:**

- Extons Road, Kinglake Central
- Silver Parrot Road, Pheasant Creek
- O’Gradys Road, Pheasant Creek
- Royal Crescent, Kinglake
- Deepdene Road, Yea
- Sycamore Grove, Kinglake
- Keith Street Kinglake
- Dicks Road, Acheron
- Nichols Road, Narbethong/Buxton
- Larnoo Road, Ghin Ghin
- Oak Grove, Kinglake
- Jouvelet Street, Kinglake West
- Steuarts Road (South), Glenburn
- Margetts Road, Flowerdale/Yea

**and should resheeting on the following roads:**

- Back Eildon Road, Thornton
- Acheron Road, Acheron

**and subject to the allocation of funding from Roads to Recovery, approve the inclusion of a total provisional sum of \$525,631 to complete the following resheeting for the following roads:**

- Spring Creek Road, Fawcett
- Whittlesea-Yea Road Service Road, Flowerdale
- Nichols Road, Kinglake West
- Powers Road, Kinglake Central
- Webb Wares Road, Yea

- Craigie Street, Yea
  - Handleys Road, Homewood
  - Lawrey Road, Kinglake
  - Yorston Road, Highlands
2. Approve the allocation of \$115,500 as a contingency amount to be used in the delivery of this contract as detailed in this report.
  3. Release the name of the successful Tenderer into the Minutes of the 28 August 2024 Scheduled Meeting of Council.

### Background

The 2024-2025 Capital Works Program identified various roads requiring renewal as part of the Gravel Road Resheeting Program and Sealed Roads Shoulder Resheeting Program. It is proposed that 15 kilometres of unsealed roadway and 3.6 kilometres of sealed roads shoulders to be resheeted. Additionally, an extra 15 kilometres of roadway has been included as provisional sum, contingent upon the availability of Roads to Recovery funding.

The Works include but are not limited to:

- Site Clearing.
- Drainage renewal and upgrade.
- Reform existing cross-section.
- Pavement material supply and delivery.
- Pavement material spread and compact.
- All associated work including:
  - Project Management.
  - Site management.
  - Traffic Management.
  - Protection of existing infrastructure and utilities.
  - Quality management including testing.
  - OHS management.
  - Environmental management.
  - Reinstatement and clean up.
  - Site establishment and de-establishment.

This year, the specification for the supplied crushed rock to maintain a plasticity index of between 13 to 17% has been retained. The higher clay content will mean that the stones will better lock into the pavement and provide increased pavement longevity and ride comfort.

The following roads were included in the tender based on condition assessments:

### Gravel Roads Resheeting Program 2024/2025

Job Number	Road Name
1	Extons Road, Kinglake Central
2	Silver Parrot Road, Flowerdale
3	O'Gradys Road, Pheasant Creek
4	Royal Crescent, Kinglake
5	Deepdene Road, Yea
6	Sycamore Grove, Kinglake
7	Keith Street, Kinglake
8	Dicks Road, Acheron

Job Number	Road Name
9	Nichols Road, Narbethong, Buxton
10	Larnoo Road, Ghin Ghin
11	Oak Grove, Kinglake
12	Jouvelet Street, Kinglake West
13	Steuarts Road (South), Glenburn
14	Margetts Road, Flowerdale, Yea
<b>PROVISIONAL SUMS</b>	
15	Spring Creek Road, Fawcett
16	Whittlesea-Yea Road Service Road, Flowerdale
17	Nichols Road, Kinglake West
18	Powers Road, Kinglake Central
19	Webb Wares Road, Yea
20	Craigie Street, Yea
21	Handleys Road, Homewood
22	Lawrey Road, Kinglake
23	Yorston Road, Highlands
<b>Sealed Roads Shoulder Resheeting</b>	
1	Back Eildon Road, Thornton
2	Acheron Road, Acheron

### Discussion

The request for tender was placed on the e-tendering portal from 4 July 2024. The tender for these works closed on the 30 July 2024 at 3pm. There were nine submissions received at the close of tender.

### Assessment Process

In accordance with Council's Procurement Policy a tender evaluation committee (Committee) was formed to evaluate the submissions. The members of the Committee comprised of:

- Project Engineer (Chair)
- Coordinator Project Delivery
- Project Engineer

The Committee members firstly independently assessed the tenders to determine if they conformed with the requirements. Clarifications were requested from all tenders. Following the review of the documentation all tenders were deemed conforming and proceeded to evaluation.

Tenders were assessed against the following criteria:

Criteria	Weighting (%)
OH&S	Pass/Fail
Price	40
Capability & understanding of the requirement (timeframes, program & quality)	20

Criteria	Weighting (%)
Capacity to deliver (resources, equipment)	10
Relevant Experience/ Reference Check	20
Youth employment opportunities/training	5
Environmental Management	5

A summary of the evaluation and individual scoring is included in the Confidential Attachment.

### Council Plan/Strategies/Policies

This report supports the *Council Plan 2021-2025 Beautiful Towns and Rural Settings* strategic objective “to provide fit-for-purpose infrastructure that meets current and future service demands and needs for our community”.

This report also supports the *Council Plan 2021-2025 Transparency, Inclusion and Accountability* strategy to “maintain transparent, inclusive and accountable governance practices”.

### Relevant Legislation

The procurement process for these works was carried out in accordance with Council’s Procurement Policy and section 186 of *the Local Government Act 2020*.

*Road Management Act 2004*.

### Financial and Risk Implications

The total approved budget is \$764,883. This funding is summarised below:

Approved Budget Program	Approved Budget
Gravel Road Resheeting 2024-2025	\$699,883
Shoulder Resheeting 2024-2025	\$65,000
	<b>\$764,883</b>

The proposed total overall project cost is summarised below:

Description	Road Resheeting	Shoulder Resheeting	Total	Provisional Sums
Recommended Tender Price (Tenderer 2)	\$554,849	\$74,040	\$628,889	\$525,631
Contingencies (10%)	\$55,500	\$7,500	\$63,000	\$52,500
<b>Total Contract Cost</b>	<b>\$610,349</b>	<b>\$81,540</b>	<b>\$691,889</b>	<b>\$578,131</b>
Project Management	\$30,000	\$4,000	\$34,000	\$30,000
<b>Total Overall Project Cost</b>	<b>\$640,349</b>	<b>\$85,540</b>	<b>\$725,889</b>	<b>\$608,131</b>

The relatively small contingency is proposed to cover any latent conditions as well as any need for additional works not identified in the original road inspections. This will be assessed during construction, as culvert replacement may be required on some of the roads.

Below is a budget comparison between the proposed project cost and the approved project budget:

Project	Approved Budget	Total Project Cost	Variance
Road Resheeting	\$699,893	\$640,349	\$59,544
Shoulder Resheeting	\$65,000	\$85,540	-\$20,540
<b>TOTAL</b>	<b>\$764,893</b>	<b>\$725,889</b>	<b>\$39,004</b>

Based on the tender price provided by Tenderer 2, there is sufficient funds to deliver the main scope of works listed for the Road Resheeting and Shoulder Resheeting Program 2024/25 from the adopted budget, but not the Provisional Sum.

Council has been successful in receiving additional Roads to Recovery funding which averages out to be \$1.9M per year over the next five years. As the additional funding was received after the budget approval process, not all of the funding has been allocated to programs in the approved budget. It is recommended to award the Tender including the provisional sums but dependant on Council allocating funding from the Roads to Recovery program to this project. The provisional sum items can either be deleted or changed depending on budget constraints or shifts in project priorities.

#### **Conflict of Interest**

There were no conflicts of interest declared by Council officers in relation to the matters contained in this report.

#### **Community and Stakeholder Consultation**

External community or stakeholder consultation was not applicable for this process. The community will be advised of the works plan following contract award.

### **6.7 Contract 24/2 - Sealed Roads Resealing Program 24/25**

Department	Sustainability & Assets
Presenter	P Bain, Manager Sustainability & Assets
Approved by	Director Assets & Environment
Purpose	For decision
Attachment(s)	1. CONFIDENTIAL REDACTED - Confidential Attachment 1 - Contract 24/2 - Sealed Roads - Resealing Program 2024-2025 [6.7.1 - 8 pages]

#### **Executive Summary**

This report recommends awarding a suitable contractor for CONT24/2 Sealed Roads – Resealing Program 2024/2025.

The scope of the contract is to undertake rehabilitation works to repair localised failures of road pavement and seal on eleven roads and a further two roads should funding become available through Roads to Recovery funding.

Council recently conducted a public tender for the works which closed on 30 July 2024 at 3.00pm. Five submissions were received at the close of tender. A detailed evaluation was undertaken in line with Council's Procurement Policy and against the tender evaluation criteria by the Tender Evaluation Committee.

This report, and the Confidential Attachment, outlines the procurement and evaluation process undertaken to appoint a suitable contractor for CONT24/2 Sealed Roads – Resealing Program 2024/2025.

## RECOMMENDATION

**That Council:**

- 1. Award Contract 24/2 - Sealed Roads Resealing Program 2024/25 to Tender 2 for the lump sum price of \$957,957 to complete all required rehabilitation works for the following nominated roads:**
  - **McMahons Road, Kinglake**
  - **Myers Creek Road, Toolangi**
  - **Plover Way, Kinglake West**
  - **Springs Rd, Terip Terip, Caveat**
  - **Windana Court, Kinglake West**
  - **Wrights Road, Yarck**
  - **Southam Drive, Taggerty**
  - **Unnamed road and car park adjacent to Taggerty Hall, Taggerty**
  - **High Street, Eildon**
  - **Hill Court, Eildon**
  - **Whanregarwen Road, Whanregarwen****and subject to the allocation of funding from Roads to Recovery, approve the inclusion of a total provision sum of \$551,634 to complete all required rehabilitation works for the following nominated roads;**
  - **King Parrot Creek Road, Kerrisdale, Strath Creek**
  - **Yarck Road, Gobur**
- 2. Approve the total allocation of \$150,000 as a contingency amount to be used in the delivery of this contract as detailed in this report.**
- 3. Release the name of the successful Tenderers into the Minutes of the 28 August 2024 Scheduled Meeting of Council.**

## Background

The 2024-2025 Capital Works Program identified various roads requiring renewal as part of the Sealed Roads Resealing Program. It is proposed that 30km (199,000 square metres) of roadway will be resealed. Additionally, an extra 14 kilometres of roadway has been included as provisional sum which is contingent upon the allocation of Roads to Recovery funding to this program.

The Works include but are not limited to:

- Site management and supervision.
- Site establishment and de-commissioning as required.
- Supply and delivery of sealing aggregate.
- Sweeping and cleaning of surface prior to spraying.

- Placement and removal of temporary raised pavement markers to locate existing line markings.
- Removal and disposal of existing raised reflective pavement markers (RRPMs) and repair any resultant pavement damage.
- Supply, loading, pre-coating, carting, spreading and compacting of aggregate.
- Supply, delivery and application of binder including additives and including the loading, heating and mixing of materials.
- Removal of loose aggregate from sealed pavement surface.
- Reinstatement of all line marking, RRPMs and intersection markings after resealing.
- Supply of all plant, equipment and materials to complete the works in this contract.
- All other works as necessary to complete the works as specified.

Repairs to the following roads have been included in this tender based on condition assessments:

### Sealed Roads Resealing Program 2024/25

Job Number	Road Name
1	McMahons Road, Kinglake
2	Myers Creek Road, Toolangi
3	Plover Way, Kinglake West
4	Springs Rd, Terip Terip, Caveat
5	Windana Court, Kinglake West
6	Wrights Road, Yarck
7	Southam Drive, Taggerty
8	Unnamed road and car park adjacent to Taggerty Hall, Taggerty
9	High Street, Eildon
10	Hill Court, Eildon
11	Whanregarwen Road, Whanregarwen
<b>PROVISIONAL SUMS</b>	
12	King Parrot Creek Road, Kerrisdale, Strath Creek
13	Yarck Road, Gobur

### Discussion

The request for tender was placed on the e-tendering portal from 2 July 2024. The tender for these works closed on the 30 July 2024 at 3pm. There were five submissions received at the close of tender.

### Assessment Process

In accordance with Council's Procurement Policy a tender evaluation committee (Committee) was formed to evaluate the submissions. The members of the Committee comprised of:

- Project Engineer (Chair)
- Coordinator Project Delivery
- Project Engineer

The Committee members firstly independently assessed the tenders to determine if they conformed with the requirements.



Tenders were then assessed against the following criteria:

Criteria	Weighting (%)
OH&S	Pass/Fail
Price	40
Capability & understanding of the requirement (timeframes, program & quality)	20
Capacity to deliver (resources, equipment)	20
Relevant Experience/ Reference Check	10
Youth employment opportunities/training	5
Environmental Management	5

A summary of the evaluation and individual scoring is included in the Confidential Attachment.

### Council Plan/Strategies/Policies

This report supports the *Council Plan 2021-2025 Beautiful Towns and Rural Settings* strategic objective “to provide fit-for-purpose infrastructure that meets current and future service demands and needs for our community”.

This report also supports the Council Plan 2021-2025 Transparency, Inclusion and Accountability strategy to “maintain transparent, inclusive and accountable governance practices”.

### Relevant Legislation

The procurement process for these works was carried out in accordance with Council’s Procurement Policy and section 186 of the *Local Government Act 2020*.

*Road Management Act 2004*.

### Financial and Risk Implications

The total approved budget is \$1,117,155 (Ex. GST). This funding is summarised below:

Funding Source	Amount
Sealed Road Reseal Budget 2024-2025	\$1,117,155

The total overall project cost is summarised below:

Description	Cost	Provisional Sums	Cost Including Provisional Sum
Recommended Tender Price (Tender 2)	\$957,957	\$551,634	\$1,509,591
Contingencies (10%)	\$95,000	\$55,000	\$150,000
<b>Total Cost</b>	<b>\$1,052,957</b>	<b>\$606,634</b>	<b>\$1,659,591</b>
Project Management	\$50,000	\$30,000	\$80,000
<b>Total Overall Project Cost</b>	<b>\$1,102,957</b>	<b>\$636,634</b>	<b>1,739,591</b>

The above contingency is proposed to cover any latent conditions as well as any need for additional work due to further deterioration in the road pavement since the final inspections before the tender was advertised.

Below is a budget comparison between the project cost and the project budget:

Project	Available Budget	Total Overall Project Cost	Variance
<b>Sealed Road Reseal Program 2024-2025</b>	\$1,117,155	\$1,102,957	<b>+\$14,198</b>
<b>Provisional Sums</b>	\$14,198	\$636,634	<b>-\$622,436</b>

Based on the tender price provided by Tenderer 2, there is sufficient funds to deliver the main scope of works listed for the Sealed Roads Resealing Program 2024/25 from the adopted budget, but not the Provisional Sum.

Council have been successful in receiving Roads to Recovery funding which averages out to be \$1.9M per year over the next five years. It is recommended to award the Tender including the provisional sums dependant on Council allocating funding from the Roads to Recovery program to this project. The provisional sum items can either be deleted or changed depending on budget constraints or shifts in project priorities.

#### **Conflict of Interest**

There were no conflicts of interest declared by Council officers in relation to the matters contained in this report.

#### **Community and Stakeholder Consultation**

No external community or stakeholder consultation was required for this matter. The community will be advised of the works plan following contract award.

## **7 COUNCILLOR AND CEO REPORTS**

### **7.1 Notices of Motions**

### **7.2 Cr Ilona Gerencser**

### **7.3 Cr Eric Lording**

### **7.4 Cr Sandice McAulay**

### **7.5 Cr Karine Haslam**

### **7.6 Cr John Walsh**

### **7.7 Cr Sue Carpenter**

### **7.8 Cr Damien Gallagher - Mayoral Report**

### **7.9 Chief Executive Officer Report**

## 8 RECORD OF COUNCIL BRIEFING SESSIONS

### Purpose

For noting.

### Executive Summary

This report presents the records of Council Briefing Sessions for 24 July 2024 to 7 August 2024, for Council to note.

### RECOMMENDATION

**That Council receive and note the records of Council Briefing Sessions for 24 July 2024 to 21 August 2024.**

### Background

The Governance Rules adopted by Council at its 24 August 2022 meeting sets the order of business for scheduled meetings. As part of section 7.2.1 “Record of Council Briefing Sessions” is listed as to be included in the order of business.

### Discussion

The purpose of keeping a record of Council Briefing Sessions is so that the content of the Briefing Session, the attendance and any declared conflicts of interest are recorded in a formal document. Council is making every effort to ensure that it is transparent in the content of Briefing Sessions and any conflicts of interest, therefore the formal record is presented for noting as part of the Scheduled Meeting Agenda.

The following summary details are for 24 July 2024 to 21 August 2024:

Meeting Name/Type	Council Pre-Meet
Meeting Date:	25 July 2024
Matters Discussed:	<ol style="list-style-type: none"> <li>1. Murrindindi Kindergarten and Childcare Strategy</li> <li>2. 37 Extons Road, Kinglake Central – Transfer of Land</li> <li>3. Audit and Risk Committee – Independent Member Appointment</li> <li>4. Council Public Liability and Professional Indemnity Insurance</li> <li>5. Council Meeting Dates</li> <li>6. Contract 24/14 – Heating and Cooling System – Maintenance &amp; Repairs</li> </ol>
Councillor Attendees:	Cr D Gallagher, Cr J Walsh, Cr E Lording, Cr S Carpenter, Cr K Haslam, Cr McAulay (All virtual)
Council Officer Attendees	M Chesworth, A Paxton, C Lintott, C Fraser, A Vogt, B Gill, B Harnwell
Conflict of Interest Disclosures:	No

Meeting Name/Type	Briefing Session
Meeting Date:	7 August 2024
Matters Discussed:	<ol style="list-style-type: none"> <li>1. External Presenter - VicGrid CEO Alistair Parker</li> <li>2. Grants and Sponsorships 23/24 Program Review</li> <li>3. Council Website Discussion</li> </ol>
Councillor Attendees:	Cr D Gallagher, Cr J Walsh, Cr S Carpenter, Cr K Haslam
Council Officer Attendees	M Chesworth, A Paxton, B Harnwell, C Lintott, B Chapman, C Hamill, C Hedger, C Fraser, N Stewart
Conflict of Interest Disclosures: No	

Meeting Name/Type	Briefing Session			
Meeting Date:	14 August 2024			
Matters Discussed:	<ol style="list-style-type: none"> <li>1. External Presenter – Tuangurung Land and Waters Council presentation re Nyagaroon</li> <li>2. External Presenter – Dindi Events</li> <li>3. Kerbside Services Policy Update</li> <li>4. Grants and Sponsorships Quarterly Allocations</li> <li>5. Communications Policy Review</li> <li>6. Contract 24/15 – Quarry Products Supplier</li> <li>7. Contract 24/13 - Flood Recovery Bridge and Roadworks Strath Creek</li> </ol>			
Councillor Attendees:	Cr D Gallagher, Cr J Walsh, Cr E Lording, Cr S Carpenter, Cr K Haslam, S McAulay			
Council Officer Attendees	M Chesworth, A Paxton, B Harnwell, C Lintott, B Gill, J Russell, P Bain, C Hedger, A Cullen			
Conflict of Interest Disclosures: Yes				
Matter No.	Councillor making disclosure	Was a vote taken?	Did the Councillor leave the room?	When? Before or after discussion
2	Cr D Gallagher	No	Yes	Before

Meeting Name/Type	Briefing Session			
Meeting Date:	21 August 2024			
Matters Discussed:	<ol style="list-style-type: none"> <li>1. External Presenter – Kinglake Friends of the Forest Inc – Fire Mitigation</li> <li>2. Amendment C73 – Planning Scheme Review Implementation</li> <li>3. 2024-2025 Advocacy Plan – Councillor Workshop</li> <li>4. Carry Forward Budget Adjustments 2023/24 to 2024/25</li> <li>5. Presenting the Flowerdale Community Plan</li> <li>6. End of Year Report Capital Works 2023-24</li> <li>7. Flat Lead Road Carbon Offset Project</li> <li>8. Contract 24/1 – Gravel Roads Resheeting Program 2024-25</li> <li>9. Contract 24/2 – Sealed Roads Resealing Program 2024-25</li> <li>10. Dindi Events Proposal</li> </ol>			
Councillor Attendees:	Cr D Gallagher, Cr J Walsh, Cr E Lording, Cr K Haslam, S McAulay			
Council Officer Attendees	L Bonazzi, M Chesworth, A Paxton, C Lintott, A Cullen, P Schier, B Harnwell, A Paix, P Bain, B Chapman			
Conflict of Interest Disclosures: Yes				

Matter No.	Councillor making disclosure	Was a vote taken?	Did the Councillor leave the room?	When? Before or after discussion
10	Cr D Gallagher	No	Yes	Before

### **Council Plan/Strategies/Policies**

This matter is consistent with the *Council Plan 2021-2025 Transparency, Inclusion and Accountability* strategy to “maintain transparent, inclusive and accountable governance practices”.

### **Relevant Legislation**

This report supports the *Local Government Act 2020* overarching governance principles, in particular “the transparency of Council decisions, actions and information is to be ensured”.

### **Financial Implications and Risk**

There are no financial or risk implications.

### **Conflict of Interest**

Any conflicts of interest are noted in the records of Council Briefing Sessions tables listed above.

## **9 SEALING REGISTER**

Nil.

## **10 CONFIDENTIAL ITEMS**

*The Local Government Act 2020 section 66(2)(a)* allows Council to resolve to close a meeting to the public to consider confidential information. This is defined under section 3 of the *Local Government Act* and includes information that was confidential information for the purposes of section 77 of the *Local Government Act 1989*.

Where possible Council will resolve to make public any decision it makes in a closed meeting where the resolution does not disclose confidential information. There may be occasions where Council cannot make its decision public.

The CEO Employment and Remuneration Committee Report is being considered in the closed part of this meeting because it is considered confidential. It concerns personal information, being information which if released would result in the unreasonable disclosure of information about any person or their personal affairs.

Section 45 of the *Local Government Act 2020* requires that Council have a CEO Employment and Remuneration Policy, and that it obtains independent professional advice in relation to matters dealt with under the Policy.

A CEO Employment and Remuneration Committee consisting of three Councillors and an independent advisor meets periodically to enact the policy, involving consideration of CEO employment matters, performance monitoring and annual and remuneration review. The Committee provides advice and makes recommendations on these issues to Council.

This report, prepared by Council’s independent advisor on behalf of the CEO Employment and Remuneration Committee, provides an annual review of CEO employment, performance and remuneration for Council’s consideration.

## RECOMMENDATION

That Council, in accordance with section 66(2)(a) of the *Local Government Act 2020* resolve that the meeting be closed to members of the public for the consideration of items:

- CEO Employment and Remuneration Committee Report