

# SPECIAL COUNCIL Business Paper



JULY 24, 2002



## **NOTICE OF SPECIAL COUNCIL MEETING**

**A SPECIAL MEETING of LISMORE CITY COUNCIL will be held at the COUNCIL CHAMBERS, Oliver Avenue, GOONELLABAH on WEDNESDAY, July 24, 2002, at 6.00pm and members of Council are requested to attend.**

**(Col Cooper)  
ACTING GENERAL MANAGER**

July 18, 2002

# **SPECIAL COUNCIL BUSINESS AGENDA**

July 24, 2002

## **PUBLIC ACCESS SESSION:**

## **PAGE NO.**

Mr A Andrews re Rescission Motion

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## **OPENING OF MEETING AND PRAYER (MAYOR):**

**APOLOGIES AND LEAVE OF ABSENCE – Councillor Roberts**

**DISCLOSURE OF INTEREST**

**MAYORAL MINUTES**

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**CONFIDENTIAL MATTERS - COMMITTEE OF THE WHOLE**

**MAYORAL MINUTE**

**Subject/File No:** COUNCIL'S SUBMISSION ON CO-GENERATION PLANT AT BROADWATER (R5802)

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**Background:**

The Group Manager-City Works made a submission for the above project asking for a considerable amount to be spent on upgrading Council's roads to cater for the additional traffic that would be generated. The submission was made without reference to Council.

I am of the opinion that Council should accept the additional cost of upgrading roads as part of its rate revenue or impose a levy on cane growers to pay back loans that may have to be raised to cover part of the cost of upgrading roads. The levy would be related to the amount of cane plus trash delivered to the sugar mill.

**Comments by Group Manager-City Works**

Condition 1 on Page 3 of our submission (copy attached) only requires the widening of the existing pavement from 3.5m to 7m. It was recognized that Council would always be responsible for the upgrading of the existing 3.5 m of pavement.

The intention of Condition 3 was that when the plan of management was negotiated Council would negotiate the complete reconstruction of each section to achieve the 7m seal on 8m formation. The developer would be responsible for funding to the value of the equivalent widening of 3- 3.5m. Council would propose to carry out the completed reconstruction and pay the difference between widening and reconstructing the pavement to full width of 7m on 8m.

The existing counts of up to 282 trucks per day are causing considerable concern among the community. Increasing this to 556 trucks per day without upgrading the road is simply unacceptable.

Whatever happens the road will have to be upgraded to two effective lanes between the bridge and Banks Lane in the immediate future. The issue is how the work is carried out within the suggested time frames, not how it is funded. The conditions have been formulated in line with possible funding allocations that could reasonably be funded from Council's work program in both the short and long term.

The question that needs to be answered before Council decides to amend its submission is how the roadworks are going to be funded if it is not part of the development application. I do not believe Council can reasonably allow the development to open until the road is upgraded.

Is Council going to fund all the roadworks itself?

**Recommendation (MM01)**

- 1 Council withdraw its submission for upgrading roads.
  - 2 Send a complimentary submission congratulating the Sugar Co-operative on their initiative to reduce greenhouse gases.
  - 3 Council further investigate a special levy as detailed above.
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**NOTICE OF RESCISSION MOTION**

I hereby give notice of my intention to move at the next meeting of the Council the following rescission motion:

**That Council rescind the decision to defer proceeding with Goonellabah Recreation Study at the meeting of July 9, 2002.**

**Goonellabah Recreation Centre**

167/02

**RESOLVED** that the report be received and -

- 1 *That Vantage Project Management be advised of Council's continued commitment to the Goonellabah Recreation Centre, together with its inability to provide a firm date for the commencement of the work pending current Aquatic Centre considerations.*
- 2 *That Vantage Project Management be requested to continue to make their previous land swap proposal available to Council for a further 18 months.*
- 3 *That Council conduct a workshop to explore further opportunities available to advance this project.*
- 4 *That Council staff undertake small scale public consultation to ascertain the appropriateness of the current design.*

**COUNCILLOR** F F Swientek

**COUNCILLOR** R R Baxter

**COUNCILLOR** K R Gallen

**DATE** July 9, 2002

(02-7931: P22522)

**NOTICE OF RESCISSION MOTION**

I hereby give notice of my intention to move at the next meeting of the Council the following rescission motion:

**That Council rescind the Mayoral Minute of July 9, 2002 regarding the Swimming Pool Strategy.**

**Swimming Pool Strategy**

165/02 **RESOLVED** that the report be received and Council advise the Southern Cross University (SCU) that it is interested in pursuing a joint venture for a major swimming complex. The Mayor and the General Manager or Acting General Manager initially be part of the negotiating team with the view of reporting back to the September 2002 meeting with a recommendation or, if necessary, a special meeting be called.

**COUNCILLOR** F F Swientek

**COUNCILLOR** R R Baxter

**COUNCILLOR** K R Gallen

**DATE** July 9, 2002

(02-7920: P6768)

**NOTICE OF MOTION**

I hereby give notice of my intention to move at the next meeting of the Council the following motion:

- 1 That Council review the Memorial Baths proposal and commit to replace the existing pools with a more affordable proposal to ensure a facility is available on the existing site and hence provide an accessible facility for North, South, Central and East Lismore.**
- 2 That Council commence the design and construction of a new 25m x 8 lane pool with expandable footprint on the Goonellabah Town Centre site using Section 94 levies and approximately \$1 million aquatic reserves.**
- 3 That Council conduct a poll of residents seeking their endorsement for the above strategy as soon as legally possible and also poll residents about the reduction of the number of councillors as per previous resolution.**

**Comment from Councillor Swientek**

The attached schematic design estimates provided to us by Bzowy Architects clearly show that such facilities are affordable and achievable for Lismore City Council.

They would be basic facilities allowing for community fundraising and sponsorship to embellish further at some future date. However they would provide much needed facilities for the floodplain region of Lismore encompassing North, South, Central and East Lismore as well as for the Goonellabah and Lismore Heights ridge area.

***Why develop Goonellabah Pool first?***

The purpose of staging the pool strategy in this way is to provide a facility where there currently isn't one and to allow the greenfield site to be developed because it can be and the offer of land by Consolidated Properties is there and should be taken advantage of.

One should never look a gift horse in the mouth. There will be no interference to swimming programs in the forthcoming season and with some luck the project could be completed for the peak end of February swimming carnivals, relieving the pressure on the Memorial Baths and eliminating carnival leakage to neighbouring pools like Alstonville and Kyogle.

Further, as the Memorial Baths get redeveloped next year and should there be delays in construction due to poor weather, floods, etc, then the following swimming season will not see Lismore without a competitive pool venue or aquatic facility available for public usage.

This strategy will allow for the doubling of competitive venues available for swimming carnivals and competitions in Lismore from the only venue at the Memorial Baths. It will make swimming venues available and realistically accessible to the majority of residents of our city and satisfy the long held wish for a pool facility to be developed at the Goonellabah Town Centre site.

# LISMORE CITY COUNCIL – Special Meeting held July 24, 2002

## Notice of Motion – Swimming Pool Strategy

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Furthermore, it will satisfy the wish of many people to retain the Memorial Baths site as a pool facility and maintain the true spirit and original desires of those that collected funds and constructed the Baths as a living memorial.

**COUNCILLOR** F F Swientek

**DATE** July 18, 2002

### **STAFF COMMENTS**

#### **Contracts Officer**

1 Point One

Staff are unsure of the proposed footprint proposed by Councillor Swientek for the redevelopment of the Memorial Baths and what facilities are to be included and the proposed costing of this development. Is it proposed to build a six or eight lane 50 metre pool? The schematic design estimates indicated by Councillor Swientek include only the 50 metre pool, leisure pool, backwash retention tanks and water treatment at an estimate cost of \$1,994,860. There are several additional items that would need to be included in such a development.

- Demolition costs
- New change rooms
- Plant room
- New concourse
- Upgrade and relocation of electrical supply

Using a minimalist approach and the architects design estimates, it is expected that these additional items would cost approximately \$2,100,000. The total estimated cost of Stage 1 was \$4,856,168 which would provide basically the same facility as exists now.

In addition, consideration would need to be given to appropriate land space to accommodate patrons, in particular if the venue was to be used for swimming carnivals.

2 Point Two

With regard to an additional 25m x 8 lane pool to be developed on the Goonellabah Town Centre site, staff are unsure of what facilities are proposed to be included and therefore it is difficult to estimate the costing for such a development. The schematic design estimates provided by the architect for Stage 2 at the Memorial Baths for a 25 metre x 6 lane pool were \$532,660 (excluding disabled ramp & boom). However this cost does not include the cost of water treatment, plant room, change rooms, concourse, electrical supply or balance tanks, as these costs were included in Stage 1 of the proposal and to a degree would need to be duplicated if an additional facility was built elsewhere.

Staff are assuming that this would be an indoor facility and the estimate does not include the cost of enclosing the facility or the air handling/ventilation system. It is noted that when the Goonellabah development was proposed in 1999, the cost estimates for the swimming pool were estimated at \$1,700,000.



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### Notice of Motion – Swimming Pool Strategy

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Staff have noted the comments that this would provide an additional competition venue for Lismore, although providing an excellent asset for Lismore, the area required to allow competition in an indoor facility must be expanded to allow for increased seating capacity and concourse areas. This increased enclosed area will increase the construction cost and ongoing operational cost of such a facility.

Although two (2) aquatic facilities would be an asset to the region, I am concerned about Council's ability to meet the operational costs of the two facilities as they would be duplicated at certain times during the year. In addition, it would be expected that while both facilities are open, they would be in competition with each other for patronage. It is conceivable that the ongoing operational and maintenance costs of two facilities within Lismore would be a substantial burden on the ratepayers.

I would advise care in considering the options proposed and believe extensive additional investigation would be required prior to Council committing to the development of two aquatic facilities.

#### **Acting General Manager**

In relation to Point 3, under Section 14 of the LGA, Council may take a poll of electors for its information and guidance on any matter, i.e. it is not **binding** and voting is **not** compulsory.

In relation to the constitutional referendum question in relation to the reduction in the number of councillors, as there is insufficient time to conduct the poll prior to September, then if approved, the reduction would not take effect until the 2007 elections. Voting is compulsory and the outcome binding on the Council. Estimated cost to conduct such a poll and constitutional referendum would be in the order of \$60,000 - \$65,000.

**NOTICE OF MOTION**

I hereby give notice of my intention to move at the next meeting of the Council the following motion:

**To ensure that the broad community of Lismore receives factual information about the provision of aquatic facilities to replace the Memorial Baths and understands exactly what benefits they might receive from the possible options that Council is considering:**

1. *Council staff develop a comparative analysis of the social, sporting and economic benefits for residents and the costs, both capital and operational, of the following options:
  - (a) 50m outdoor pool only;
  - (b) 50m outdoor pool and heated 25m indoor pool;
  - (c) 50m outdoor pool, heated 25m indoor pool, gymnasium and aerobics area);
  - (d) each of these options at the Memorial Baths site, Goonellabah and with the SCU as a joint venture partner.*
2. *Council staff provide examples of the social, sporting and economic benefits, and the financial impact, of stand-alone aquatic facilities and combined wet and dry facilities in other locations.*
3. *When this information is available Council embark on a public education and consultation process that includes the following:
  - (a) 2 page spreads covering all the options in both the Northern Star and the Echo, with a coupon for residents to complete and return to Council indicating the option that they prefer. Those coupons to include the names and addresses of the respondents;
  - (b) a well-advertised public information evening at City Hall, where all the options are provided and members of the community can ask questions and have them answered. At the end of the information evening community members complete a survey, which includes details of their names and addresses, indicating the option that they prefer.*
4. *That the Council makes a commitment to work together to implement the community's choice.*

**COUNCILLOR** R M Irwin

**DATE** July 17, 2002

(02-8246: P6768)

## LISMORE CITY COUNCIL – Special Meeting held July 24, 2002

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**Subject/File No:** PROVISION FOR THE RENOVATION OF BLOCK B TO HOUSE THE RELOCATION OF THE LISMORE BRANCH OF THE RICHMOND - TWEED REGIONAL LIBRARY – T22033

**Prepared By:** Contracts Officer – Chris Allison

**Reason:** To inform Council of tenders received for the renovation of Block B to house the relocation of the library

**Objective:** To obtain Council approval to award the Tender

**Management Plan Activity:** Client Services

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### **Background:**

Tenders were recently called for the renovation of Block B to house the relocation of the Lismore Branch of the Richmond-Tweed Regional Library.

The Client Services Unit in conjunction with Bond & Associates on behalf of Community Services prepared the tender documents and technical specification for the works.

Tenders were advertised in the Northern Star and the Sydney Morning Herald. Tender documents were issued to three (03) companies, which were required to attend a compulsory pre-tender briefing session held on site. Three (03) tenders were received by the close of the tender on 2.00pm, Wednesday, July 17, 2002.

### **Tender Examination:**

The tenders received are summarised below:

<b>TENDERER</b>	<b>ORIGINAL TENDER PRICE</b>
Donnelly & Hughes	\$ 1,768,924.00
Greg Clark Building	\$ 1,860,275.00
Bennett Industries	\$1,615,713.00

The prices shown above are inclusive of GST.

Council engaged the services of Rider Hunt - Quantity Surveyors to provide independent costings of the works to enable a comparison.

The estimated cost of undertaking these works as provided by Rider Hunt is \$1,862,300 including GST. An evaluation panel consisting of Lindsay Walker (Manger Client Services), Tom Bond (Architect) and Chris Allison (Contracts Officer) undertook the assessment of tenders.

The tender documentation (Clause B7) defined six (06) areas by which each tender would be assessed: Total Price, Timing of Works, Capability/Conformity & Relevant Experience. Knowledge of Local Conditions, Quality & Safety and Management & Financial with 40% of the total attributed to the price. The tenderers were required to address each of these criteria in their tender. Attachment A shows the weighted result for each criterion.

Staff are currently reviewing the tendered prices in relation to the budget and it is proposed that the final contract price will be negotiated with the recommended tenderer.

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## Relocation of Lismore Branch of Richmond-Tweed Regional Library

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### Manager – Client Services Comments

The initial tender documents were prepared to include all of the elements, which the Library service felt were desirable. Not all of these elements are fundamental to the core services offered by the Library and some will not be included at this time.

It is considered that it will be possible to modify the scope of works and inclusions to provide an excellent library within the \$1.25 million budget.

This budget has been derived as set out in the Manager-Finance & Administration Services' comments. Negotiations with Bennett Constructions will commence immediately to modify the scope of work to ensure that the budget is not exceeded in this project.

### Manager – Community Services Comments

I am satisfied with the tendering process undertaken, and agree with Client Services recommendation. I have been unable to ascertain the status of the Library Grant Development application (\$200,000). According to Public Libraries Branch staff, announcements may be made in late July, August or beyond.

### Manager - Finance & Administration Comments

On the basis that Council requires this project to be fully funded, a summary of the likely development costs and funding sources is provided below: -

<u>Development Costs</u>	
Bennett Industries Pty Ltd tender	\$1,615,713
Less: GST	<u>146,883</u>
Total renovation costs	\$1,468,830
Plus: Lift	183,570
Electricity upgrade	50,000
Footpath	30,000
Contract Management (Client Services)	<u>15,000</u>
<b>Total Development Costs</b>	<b>\$1,747,400</b>
<u>Funding Sources</u>	
Balance of Neighbourhood Centre sale	\$ 350,000
Loan funds	860,000
Grant funds	100,000
Art in the Heart reserve	50,000
Art Gallery Building reserve	20,000
Footpath Construction	<u>30,000</u>
<b>Total Funding Sources</b>	<b>\$1,410,000</b>

Based on this scenario, the funding shortfall is \$337,400.

In regards to the funding sources, there are some issues with regards to their availability or otherwise and the following information is provided to clarify the situation:-

a) Loan funds

The maximum amount of loan funds that can be serviced with the \$100,000 annual contribution to the library development reserve is conservatively estimated to be \$860,000. Depending on interest rates, this amount may increase.

b) Grant funds

At the time of writing this report, we were unable to confirm the status of our grant application with State Libraries including the date for determination.

The grant application is for \$200,000 and it is predominately for furniture and fittings. As the tender includes some fittings, approximately \$100,000 of the grant could be used to meet the tendered cost.

Due to the fact we need to take a prudent approach to the funding and the grant approval cannot be confirmed, it is suggested that we exclude this from the funding sources. This will increase the funding shortfall to \$437,400

c) Art in the Heart reserve

This reserve has approximately \$50,000 available and has been used to meet all the development and acquisitions costs associated with the site. The source of funding for this reserve is the \$100,000 annual contribution to library development.

It is proposed not to use these funds for site development as there are a number of items requiring immediate funding as you would expect with such a significant development proposal. They include:-

- i) as a result of rezoning, a Plan of Management for the site will be required to be prepared,
- ii) we will need to supplement the Business Plan with a community use study to ensure all site requirements are addressed and adequately provided,
- iii) to pursue, state, federal, business, corporate and community funding, we will incur costs for expenses such as travel, accommodation and promotional materials,
- iv) the preparation of material support for the commercial EOI for the site, and
- v) sundry other incidental costs that may be incurred from time to time.

This will ensure that sufficient funding is available to meet these costs rather than additional requests for funding from time to time.

This will increase the funding shortfall to \$487,400.

d) Art Gallery Building reserve

This reserve is for the development of the regional gallery. As the electricity upgrade is to service the entire site, it is logical for the Art Gallery, as it is also planned to go on this site, to contribute towards this cost. An amount of \$20,000 is considered reasonable.

e) Footpath Construction

The development consent for this facility requires the upgrading of the footpath fronting Magellan Street. It is estimated that it will cost \$30,000. It is proposed that the funding for this work be from the 2002/03 Footpath Construction allocation of \$152,000.

This allocation was increased this year by \$100,000 recognising the need to be proactive with risk management on footpaths. The upgrading of this footpath will assist us in meeting the overall objective, but will reduce the funding for more urgent works to \$70,000 in 2002/03.

The Administrative Services Manager commented, “*The footpath in Magellan Street between Keen and Dawson, adjoining the OLHS site has been identified in the Risk Management audit as requiring replacement. It is ranked 312th in priority. Funds are currently being expended on grinding off trip points. A diversion of funding to lower ranked projects will weaken our risk management strategy and thus any defence we put to the courts.*”

*I do not support any such diversion of funds”*

Given that this is a major project, it is of significant cultural and financial benefit to Lismore, there is still \$70,000 available in 2002/03 for risk management works and Council is committed to providing \$100,000 for these works in future years, I believe the allocation of \$30,000 towards the Magellan Street footpath under these circumstances is warranted.

In summary, after the abovementioned adjustments, the total funding sources is reduced to \$1,260,000 leaving a funding shortfall of \$487,400. If Council’s application for grant funding is successful, or the interest rates for the actual loan allow for greater borrowings, this shortfall amount may be decreased.

As indicated in the report, the Manager - Client Services believes that the scope of works for this project could be modified to achieve the savings required and I understand this will be pursued immediately so advice can be provided to Council prior to awarding the tender. From my perspective, if the savings required are not achieved prior to Council considering this report, and another funding option can not be satisfactorily agreed at that time, then I would strongly suggest that Council defer awarding the contract until the funding issues can be finalised.

**Public Consultations**

N/A

**Other Group Comments**

N/A

**Author’s Response to Comments from Other Staff**

N/A

**Conclusion**

Bennett Industries Pty Ltd has provided the lowest conforming tender and have ranked first in the evaluation criteria. Bennett Industries are a reputable local construction company who have undertaken a number of major construction works throughout the area, including major works for Lismore City Council.

**Recommendation**

- 1 The contract for the renovation of B Block to house the relocation of the Richmond-Tweed Regional Library be awarded to Bennett Industries Pty Ltd.
- 2 The General Manager be authorised to negotiate with Bennett Industries Pty Ltd to finalise the contract amount to the maximum total funding available as identified in this report.

## **LISMORE CITY COUNCIL – Special Meeting held July 24, 2002**

### **Relocation of Lismore Branch of Richmond-Tweed Regional Library**

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- 3 The Mayor and General Manager are authorised to execute the Contract on Council's behalf and attach the Common Seal of the Council.
- 4 That Council borrow the maximum amount, which can be afforded by annual repayments of \$100,000 over a 15-year period.
- 5 That the Art Gallery Building reserve contribute \$20,000 towards this development.
- 6 That the Magellan Street footpath works estimated to cost \$30,000 as required by the development consent for this project, be funded from the Footpath Construction allocation.
- 7 Should the grant application for funding through State Libraries be approved, the contract amount be varied by the amount eligible to be used for fittings included in the renovations contract.
- 8 Should the borrowings for this project be greater than \$860,000, the contract amount be varied by the additional amount borrowed.

**Subject/File No:** DRAFT AMENDMENT NO. 9 TO LEP 2000 – ‘ART IN THE HEART’ REZONING.  
(HM:S710)

**Prepared By:** Manager, Planning Services – Helen Manning

**Reason:** To obtain Council’s endorsement to recommendation by consultant planner.

**Objective:** To facilitate development of the ‘Art in the Heart’ site

**Management Plan Activity:** Strategic Planning

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**Background:**

Due to the requirements of PlanningNSW that LEP amendments for Council owned land should be evaluated independently, Consultant Town Planner, Malcolm Scott, has been engaged to report on the rezoning of the ‘Art in the Heart’ site. Mr Scott’s report follows in the business paper.

The draft plan was altered in accordance with Council’s resolution of June 11, 2002, and has been exhibited for public comment. While no objections were received, the Heritage Office has suggested alterations to the wording of the draft plan.

Draft amending Local Environmental Plan No. 9, altered on the basis of the submission received from the Heritage Office, and the supporting map follow Mr Scott’s report in the business paper.

The draft amending plan must now be endorsed by Council before being submitted to the Minister for Planning.

**Manager - Finance & Administration Comments**

See below.

**Public Consultations**

See report by Consultant Town Planner, Malcolm Scott.

**Other Group Comments**

Comments from the Managers of Community Services, Client Services, Economic Development & Tourism and Finance & Administration were included in the report considered by Council on June 11, 2002.

**Author’s Response to Comments from Other Staff**

Not required.

**Conclusion**

The suggestions from the Heritage Office have the effect of adding clarity to the wording of the plan, without altering its intent. Council’s endorsement of the altered draft plan is recommended as another step towards the realisation of the ‘Art in the Heart’ concept.

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# **LISMORE CITY COUNCIL – Special Meeting held July 24, 2002**

## **Draft Amendment No. 9 to LEP – “Art in the Heart” Rezoning**

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### **Recommendation (Pla 24)**

It is recommended that Council:

- 1 Alter Draft Amendment No. 9 to Lismore Local Environmental Plan 2000 as recommended in Mr. Scott’s report;
- 2 Adopt Draft Amendment No. 9 as altered on the basis of the submission received; and
- 3 Exercise its delegations under S.69 of the Act to submit the draft plan directly to the Minister for making.



