

SPECIAL MEETING OF COUNCIL

Notice is hereby given of a Special Meeting of Council to be held at the Council Chamber, 15 Stead Street, Ballan on on Wednesday 20 December 2017, commencing at 5.00 p.m.

Members:

Cr. Paul Tatchell (Mayor)
Cr. John Keogh (Deputy Mayor)
Cr. David Edwards
Cr. Tonia Dudzik
Cr. Jarrod Bingham
Cr. Tom Sullivan
Cr. Pat Toohey

Central Moorabool Ward
East Moorabool Ward
East Moorabool Ward
West Moorabool Ward
Woodlands Ward

Officers:

Mr. Rob Croxford Chief Executive Officer

Mr. Phil Jeffrey General Manager Infrastructure

Mr. Satwinder Sandhu General Manager Growth and Development Mr. Danny Colgan General Manager Community Services

Rob Croxford
Chief Executive Officer

AGENDA

1.	OPENING OF MEETING	3
2.	ACKNOWLEDGEMENT TO COUNTRY	3
3.	RECORDING OF MEETING	3
4.	PRESENT	3
5.	APOLOGIES	3
6.	DISCLOSURE OF CONFLICT OF INTEREST	4
7.	PRESENTATIONS / DEPUTATIONS	6
8.	BUSINESS	7
8.1	Achieving Good Governance	7
8.2	Lal Lal Wind Farm Energy Facility – Road Dilapidation Deed	10
8.3	Main Street, Gordon - Township Improvements Concept Plan	34
8.4	Consideration of a Rate Cap Variation for 2018/19	58
8.5	Bacchus Marsh Aerodrome Future Management Arrangements	69
9.	FURTHER BUSINESS AS ADMITTED BY UNANIMOUS RESOLUT	
10.	CLOSED SESSION OF THE MEETING TO THE PUBLIC	71
10.1	Confidential Report	72
11	MEETING CLOSURE	86

1. OPENING OF MEETING

2. ACKNOWLEDGEMENT TO COUNTRY

We respectfully acknowledge the traditional owners of this land, their spirits and ancestors.

3. RECORDING OF MEETING

As well as the Council for its minute taking purposes, the following organisations have been granted permission to make an audio recording of this meeting of Council:

- The Moorabool News; and
- The Star Weekly

4. PRESENT

5. APOLOGIES

6. DISCLOSURE OF CONFLICT OF INTEREST

Under the Local Government Act (1989), the classification of the type of interest giving rise to a conflict is; a direct interest; or an indirect interest (section 77A and 77B). The type of indirect interest specified under Section 78, 78A, 78B, 78C or 78D of the Local Government Act 1989 set out the requirements of a Councillor or member of a Special Committee to disclose any conflicts of interest that the Councillor or member of a Special Committee may have in a matter being or likely to be considered at a meeting of the Council or Committee.

Definitions of the class of the interest are:

- a direct interest
 - (section 77A, 77B)
- an indirect interest (see below)
 - indirect interest by close association (section 78)
 - indirect financial interest (section 78A)
 - indirect interest because of conflicting duty (section 78B)
 - indirect interest because of receipt of gift(s) (section 78C)
 - indirect interest through civil proceedings (section 78D)
 - indirect interest because of impact on residential amenity (section 78E)

Time for Disclosure of Conflicts of Interest

In addition to the Council protocol relating to disclosure at the beginning of the meeting, section 79 of the Local Government Act 1989 (the Act) requires a Councillor to disclose the details, classification and the nature of the conflict of interest immediately at the beginning of the meeting and/or before consideration or discussion of the Item.

Section 79(6) of the Act states:

While the matter is being considered or any vote is taken in relation to the matter, the Councillor or member of a special committee must:

- (a) leave the room and notify the Mayor or the Chairperson of the special committee that he or she is doing so; and
- (b) remain outside the room and any gallery or other area in view of hearing of the room.

The Councillor is to be notified by the Mayor or Chairperson of the special committee that he or she may return to the room after consideration of the matter and all votes on the matter.

There are important reasons for requiring this disclosure <u>immediately before</u> the relevant matter is considered.

- Firstly, members of the public might only be in attendance for part of a
 meeting and should be able to see that all matters are considered in an
 appropriately transparent manner.
- Secondly, if conflicts of interest are not disclosed immediately before an item there is a risk that a Councillor who arrives late to a meeting may fail to disclose their conflict of interest and be in breach of the Act.

7. PRESENTATIONS / DEPUTATIONS

The Council has made provision in the business of the Special Meeting of the Council for the making of presentations or deputations to Council in relation to matters presented on the agenda for Council consideration.

Presentations or deputations are required to be conducted in accordance with the requirements contained within the **Presentation/Deputations Protocols** and **Procedural Guidelines.**

Persons wishing to make a presentation or deputation to the Council on a matter included in the agenda shall inform Council by 1pm on the Friday prior to the meeting by contacting the Chief Executive Officer's Office and registering their name and agenda item being spoken to.

At the meeting the Mayor will invite the persons wishing to make a presentation or delegation to address the Council on the agenda item.

The person making the presentation or deputation is to stand and address the Council on the item. No debate on the item is permitted between the person making the presentation or delegation and the Council.

A maximum of three minutes per presentation or delegation will be allocated. An extension of time may be granted at the discretion of the Mayor.

Councillors, through the Mayor, may ask the person making the presentation or delegation for clarification of matters presented.

The Mayor may direct that a member of the gallery ceases speaking if the above procedure is not followed.

List of Persons making Presentations/Deputations other than in relation to a planning item listed on the agenda:

Item No	Description	Name	Position
-	-	-	-

List of Persons making Presentations/Deputations to a planning item listed on the agenda:

Individuals seeking to make a presentation to the Council on a planning item listed on the agenda for consideration at the meeting will be heard by the Council immediately preceding consideration of the Council Officer's report on the planning item.

Item No	Description	Name	Applicant/ Objector
-	-	-	-

8. BUSINESS

8.1 Achieving Good Governance

Introduction

Author: Terry Bramham of Macquarie Local Government

Lawyers

General Manager: Satwinder Sandhu

Introduction

At its Special Meeting of Council held on 19 July, 2017 Council considered a report from the Chief Executive Officer titled 'Councillor Support Assistance Program 2017/18'.

Council made several decisions including my appointment as an interim Governance Monitor.

Role of Monitor

The role of the monitor was to:

- Observe Council meetings with the objective of providing feedback to Councillors regarding performance;
- Where the feedback related to individuals, separately meet with those Councillors; and
- Review Officer reports to assess whether they are meeting the needs of the Council.

Council Meetings Attended

This report is based on three (3) Council meetings attended on 2 August, 6 September and 4 October 2017.

Observations

All Councillors were observed to display the integrity requirements under the Councillor Code of Conduct and were respectful to each other, Council staff members and the gallery members attending the meetings.

At a subsequent informal meeting with all Councillors, the following advice was provided:

- When declaring a conflict of interest, a Councillor must identify whether they have a direct or indirect interest, the type of indirect interest if relevant, and a brief description of the circumstances of the conflict of interest;
- Use of correct meetings procedure terminology is important such as when referring to a recommendation contained in an Officer's report, moving a motion (or foreshadowing a motion), and referencing a Council resolution;
- Operational matters should not be raised at Council meetings because they are the responsibility of the Chief Executive Officer as part of his statutory functions under s 94A of the *Local Government Act 1989*.
- Given the statutory requirement of Councillors to make an **informed** decision when considering an item of business at Council meetings, it is

- preferable to **defer** the item to allow for further information or advice to be provided by Council staff;
- Any deferral motion must not include an inappropriate direction to Council staff to avoiding contravening s 76E (Improper direction) of the Act; and
- When temporarily closing a meeting to consider a confidential item, the motion must also specify the type of matter (e.g. contractual issue).

Meetings with Individual Councillors

Separate private meetings were held with several Councillors to provide individual feedback regarding performance at the meetings.

Officer Reports

Councillors would be assisted with their decision making if Officer reports were condensed. However, having regard to the Chief Executive Officer's comments in the Councillor Support and Assistance Program report that "tensions of late both within the Council chamber, between Officers and Councillors, and issues externally, largely on social media", it is understandable why the reports are currently more comprehensive.

To reduce the content of the reports which is desirable, it is essential, and in the mutual interests of both Councillors and Officers, that the relationship of trust be improved which in turn, will reflect Council decisions based on good governance.

Recommendations:

- 1. That Council alter the current seating arrangements of Council staff at Council meetings so that staff face all Councillors when providing advice.
- That Councillors approach relevant Council staff for professional advice when proposing to move a motion that will be different to a recommendation contained in an Officer's report in order to ensure:
 - i) that the motion is appropriately worded; and
 - ii) that Councillors are provided with relevant information to support the motion during debate.
- 3. That Council staff provide the advice as requested by a Councillor in Recommendation 2 to all Councillors to avoid a surprise situation at the meeting.
- 4. That Councillors seeking professional advice approach Council staff sufficiently in advance of the meeting to ensure the provision of quality advice.
- 5. That Councillors, in order to promote ongoing governance development, particularly in the area of meetings procedure, have access to external professional advice provided by a person appointed by Council for this purpose.

Report Authorisation

Authorised by:

Name: Satwinder Sandhu

Title: General Manager, Growth & Development

Date: Tuesday, 12 December, 2017

8.2 Lal Lal Wind Farm Energy Facility – Road Dilapidation Deed

Introduction

Author: Sam Romaszko General Manager: Phil Jeffrey

Background

The Lal Lal Windfarm Facility will be located in the west of the Shire and include the construction of 60 wind turbines and associated infrastructure. The project includes two sites identified as Yendon and Elaine.

The site in Yendon located approximately 3km north of Lal Lal and extends across approximately 2,100 hectares of land. The Elaine site is located approximately 8km south of Lal Lal and extends across approximately 850 hectares of land.

Macquarie Group Pty Ltd is the developer leading the project and has nominated proposed preliminary construction works to commence February 2018. These works include the upgrade of key access points from Council's road network into private property, along with the construction of internal access roads.

A key consideration during planning approval for the project is the potential impact on Council's road network. Planning conditions incorporate a range of provisions to ensure the local road network does not suffer at Council's expense, therefore the developer is required to present Council with a proposal to satisfy this condition.

As such, a draft Road Dilapidation Deed has been prepared for consideration, intended to outline the process by which the windfarm will fulfil its obligations in consultation with Council, and Council's requirements in relation to the restoration works to occur as a result of the construction project.

The State Government's Minister for Planning has approved the traffic management plan which identifies various roads likely to be used during the project. A supplementary traffic management plan will be prepared by the lead construction contractor which will outline in further detail the source of proposed road building material and the final haulage routes.

Proposal

A draft Road Dilapidation Deed has been prepared by the windfarm for consideration by Council which looks to satisfy all requirements under the Planning Permit Condition. The key areas within the deed are:

Maintenance Requirements

The windfarm will undertake the necessary maintenance on all Council route roads identified in the traffic management plan which is over and above usual council maintenance practices.

Road Rectification

The windfarm will repair or rehabilitate any roads that fail during the construction of the facility.

Post Construction Reinstatement

The road rectification process includes undertaking a baseline assessment survey prior to construction commencing along with undertaking a post construction assessment survey. The level of deterioration over the windfarm construction life will then be multiplied by the length of road affected with a fixed monetary figure to be reimbursed to Council for the rectification of road.

Design Traffic Loadings

All road pavements have a theoretical design life which is influenced by a range of factors, one being the proposed traffic both in quantity of vehicles and also classification of vehicles. As the development will include a significant increase in heavy vehicles, there is a possibility the post assessment condition survey may determine there is no visible deterioration of the pavement. Although there may be no visible deterioration, there will be a theoretical pavement design life deduction due to the increase in heavy vehicles.

The attached draft Road Dilapidation Deed details the developer's proposal. Council officers are currently working with the developer to finalise items within the Deed to provide more clarity around the items listed above to satisfy council requirements. It is proposed to use this document as a template for both Lal Lal and Moorabool windfarms.

Policy Implications

The 2017-2021 Council Plan provides as follows:

Strategic Objective 2: Minimising Environmental Impact

Context 2A: Built Environment

Action 7: Develop and resource plan to act as

responsible authority for administration and enforcement of permits in relation to

windfarms

The proposal is consistent with the 2017–2021 Council Plan.

Financial Implications

The purpose behind the implementation of the road dilapidation deed is to protect council financially against potential road maintenance and rectification costs. Therefore there is no financial implication associated with the recommendation within this report.

Risk & Occupational Health & Safety Issues

Key risks associated with the windfarm development with reference to the road dilapidation deed include:

- Council's route roads failing due to the increased loads and the developer not rectifying under the dilapidation deed requirements.
- Maintenance of the designated route roads directly required attributed to the development will be unknowingly undertaken by Council's Works staff.
- The developer sourcing road building material from local quarries which may impact Council's ability to undertake annual road rehabilitation and resheeting programs.

Communications Strategy

There is no communication with the community proposed at this stage. Council will work with the developer to monitor the condition of the road network during the construction of the windfarm and determine if any public notification is required.

Victorian Charter of Human Rights and Responsibilities Act 2006

In developing this report to Council, the officer considered whether the subject matter raised any human rights issues. In particular, whether the scope of any human right established by the Victorian Charter of Human Rights and Responsibilities is in any way limited, restricted or interfered with by the recommendations contained in the report. It is considered that the subject matter does not raise any human rights issues.

Officer's Declaration of Conflict of Interests

Under section 80C of the Local Government Act 1989 (as amended), officers providing advice to Council must disclose any interests, including the type of interest.

General Manager – Phil Jeffrey

In providing this advice to Council as the General Manager, I have no interests to disclose in this report.

Author – Sam Romaszko

In providing this advice to Council as the Author, I have no interests to disclose in this report.

Conclusion

Representatives of the Lal Lal Windfarm Facility are working with Council officers to finalise a Road Dilapidation Deed to ensure Council's road network is protected during construction activities. The deed approach is supported to provide clarity on road rectification and maintenance during construction. It is also proposed to use this as a template for both Lal Lal and Moorabool windfarms.

Recommendation:

That Council:

- 1. Endorses in principle the draft Road Dilapidation Deed.
- 2. Uses this Road Dilapidation Deed as a template for dealing with road dilapidation matters associated with future wind farm developments.
- 3. Authorises the General Manager Infrastructure to work with wind farm representatives to finalise the Road Dilapidation Deed for each facility.

Report Authorisation

Authorised by:

Name: Phil Jeffrey

Title: General Manager Infrastructure **Date:** Wednesday, 13 December 2017

Attachment Item 8.2



Deed

Draft 2 13 December 2017

Lal Lal Wind Farm Dilapidation Deed

Lal Lal Wind Farms Pty Ltd

Moorabool Shire Council



Contents

Table of contents

1	Defi	nitions and interpretation	2
	1.1	Definitions	2
	1.2	Interpretation	
2	Roa	d Dilapidation Reports	5
	2.1	Consultant	5
	2.2	Baseline Report	
	2.3	Post-Construction Assessment Report	6
3	Upg	rade Works and Maintenance	7
	3.1	Upgrade Works	7
	3.2	Maintenance of Route Council Roads during the Construction Period	
4	Roa	d Rectification Payment	8
5	Ack	nowledgement of Satisfaction of Planning Permit Requirements	9
6	Pos	ition of the Council	10
	6.1	Deed does not fetter discretion	10
	6.2	Severance of provisions	10
	6.3	No obligations	10
7	Disp	oute resolution	10
	7.1	Negotiations	10
	7.2	General Manager and CEO meeting	11
	7.3	Referral to Expert	11
8	GST		12
	8.1	Interpretation	12
	8.2	Reimbursements	
	8.3	Additional amount of GST payable	
	8.4	Variation	13
9	Gen	eral	13
	9.1	Notices	13
	9.2	Governing law	13
	9.3	Entire agreement	
	9.4	Further assurances	
	9.5	Severance	
	9.6	Counterparts	
	9.7 9.8	WaiverVariation	
	9.6 9.9	Costs	
	3. 3	00313	14
	Sch	edule 1	
	Noti	ce details	15
	Sig	ning page	16



Contents





Lal Lal Wind Farm Road Dilapidation Deed

Date ▶

Between the parties

type category

Lal Lal Wind Farms Pty Ltd

ACN 615 861 259 of Level 6, 50 Martin Place, Sydney NSW 2000

(Company)

type category

Moorabool Shire Council

ABN 29 352 754 296 of 15 Stead Street, Ballan VIC 3342

(Council)

Recitals

Planning Permit PL-SP/05/0461 was granted for the Lal Lal Wind Farm by the Minister for Planning on 30 April 2009, and amended by the Minister on 20 March 2017. The Company is entitled to act on the Planning Permit.

The Council is the road authority with respect to the Route Council Roads.

Condition 14 of the Planning Permit relevantly requires:

- the preparation of an existing conditions survey of public roads that will be used in the construction and operation of the wind energy facility;
- measures to be put in place to restore or reinstate any Route Council Roads affected by the Project to the pre-existing condition;
- intersection upgrades to accommodate any additional traffic or site access requirements;
- the repair and maintenance of roads during the Construction Period; and
- a program to rehabilitate roads to the pre-existing condition.

This Deed sets out the process by which the Company will fulfil its obligations to restore or reinstate any Route Council Roads affected by the Project under condition 14 of the Planning Permit.

This deed witnesses as follows:



1 Definitions and interpretation

1.1 Definitions

The meanings of the terms used in this deed are set out below.

Term	Meaning	
Baseline Report	means the baseline report prepared in accordance with clause 2.2.	
Component Haulage	means the transportation of over size and over mass wind turbine generator components and transformers, to the site of the Project.	
Consultant	means the consultant appointed under clause 2.1 of this Deed.	
Construction Period	means the period beginning on the First Construction Date and ending on the Haulage Cessation Date.	
Contractor	means Vestas – Australian Wind Technology Pty Ltd ACN 089 653 878 and Zenviron Pty Ltd ACN 612 344 313.	
Costs	includes costs, charges and expenses, including those incurred in connection with advisors and consultants.	
Deed	means this Deed.	
Extreme Weather Events	 means any of the following: Lightning strike. Any rainfall which is a 1 in 10 year Average Recurrence Interval rainfall event or greater. 	
First Construction Date	means the date on which construction of the Project commences in accordance with the Planning Permit.	
Haulage Cessation Date	means the date on which all heavy or oversize vehicle haulage associated with construction of the Project has ceased on all Route Council Roads.	



means Planning Permit PL-SP/05/0461 granted by the Minister for Planning on 30 April 2009, as amended from time to time. means the post-construction assessment report prepared in accordance with clause 2.3.
43337441765 Will Siddoo 2.5.
means the Lal Lal Wind Farm as described in the Planning Permit.
means a payment determined in accordance with clause 4.
means all portions of public roads that will be used in the construction and operation of the Project for which Council is the relevant roads authority. For the avoidance of doubt, these roads are:
Dunnstown – Yendon Road
Yendon – Egerton Road
Yendon No 1 Road
Yendon No 2 R
Yendon – Lal Lal Road
Clarendon – Lal Lal Road
Horsehill Road
Harris Road
Duggan Lane
Fords Lane
Murphy's Road
Murphy's Lane
means the Traffic Management Plan required to be prepared under condition 14 of the Planning Permit.
means any upgrade works specified in the Traffic Management Plan, as required under condition 14.g) of the Planning Permit.
means standard periodic maintenance of roads for which Council is the relevant roads authority in accordance with its usual maintenance practices and approved budget including but not limited to:



Term	Meaning	
	 verge vegetation control (slashing/spraying); and annual pavement maintenance (jet patching and minor pothole rectification). 	
Independent Expert	means an independent expert appointed in accordance with clause 7.3 to determine a dispute between the parties.	

1.2 Interpretation

In this Deed:

- (a) Clause headings are for convenience only and will be ignored in the interpretation of this Deed.
- (b) References to a party include the successors and permitted assigns of that party.
- (c) Words importing the singular include the plural and words importing the plural include the singular.
- (d) Words importing a person includes any company, partnership, joint venture, association, corporation or other body corporate and any government agency as well as an individual.
- (e) Nothing contained in this Deed will be deemed or construed as creating the relationship of partnership.
- (f) References to a month mean a calendar month and a reference to a year means a calendar year.
- (g) References to any document include any permitted amendment, supplement to or replacement or novation of the document.
- (h) References to any legislation or to any section or provision of any legislation includes any:
 - (1) statutory modification or re-enactment of or any statutory provision substituted for that legislation, section or provision; or
 - ordinances, by-laws, regulations and other statutory provision substituted for that legislation, section or provision.
- (i) Other grammatical forms of defined words or expressions have corresponding meanings.
- (j) 'Including' and similar expressions are not words of limitation.
- (k) A reference to a clause, party, schedule, attachment or exhibit is a reference to a clause of, and a party, schedule, attachment or exhibit to, this Deed.
- (I) A promise on the part of 2 or more persons binds them jointly and severally.
- (m) A reference to an agreement other than this Deed includes a deed and any legally enforceable undertaking, agreement, arrangement or understanding, whether or not in writing.



- (n) No provision of this Deed will be construed adversely to a party because that party was responsible for the preparation of this Deed or that provision.
- (o) A reference to a body, other than a party to this Deed (including an institute, association or authority), whether statutory or not:
 - (1) which ceases to exist; or
 - (2) whose powers or functions are transferred to another body,

is a reference to the body which replaces it or which substantially succeeds to its powers or functions.

(p) A reference to any monetary amount is in Australian dollars.

2 Road Dilapidation Reports

2.1 Consultant

- (a) The Company must appoint a suitably qualified and independent consultant to carry out the works contemplated by clauses 2.2 and 2.3.
- (b) The Company must obtain the Council's approval before appointing a Consultant under clause 2.1(a), and such approval is not to be unreasonably withheld.

2.2 Baseline Report

- (a) Prior to the First Construction Date, the Company must procure that the Consultant:
 - (1) In relation to all sealed Route Council Roads used:
 - (A) undertake a baseline assessment of all sealed Route Council Roads to capture namely the visual, roughness, rutting, texture and structural condition of the roads.
 - (B) provide a written report on the results of that baseline assessment which must show:
 - (i) Visual assessment
 - (ii) Serviceability test results:
 - a. Roughness
 - b. Rut Depth
 - c. Texture Depth
 - (iii) Structural Assessment:
 - a. Pavement Profile
 - b. Design Traffic
 - c. Layer Modules
 - d. Remaining Life (ESA's)
 - (2) In relation to all unsealed Route Council Roads:

- (A) undertake a baseline assessment of all unsealed Route Council Roads by recording video footage of the unsealed Route Council Roads from a motor vehicle travelling the unsealed Route Council Roads; and
- (B) provide a written report on the results of that baseline assessment which must:
 - (i) include clear digitally recorded footage of the unsealed Route Council Roads by from a motor vehicle travelling the unsealed Route Council Roads:
 - (ii) record the GPS coordinates of the route travelled as well as length in kilometres of each unsealed Route Council Road.

(Baseline Report)

- (b) The Company must:
 - (1) provide Council with a copy of the Existing Condition Report prior to the First Construction Date; and
 - (2) promptly notify Council of the First Construction Date.

2.3 Post-Construction Assessment Report

- (a) The Company must promptly notify Council of the Haulage Cessation Date.
- (b) Promptly after the Haulage Cessation Date, the Company must procure that the Consultant:
 - (1) In relation to all sealed Route Council Roads used:
 - (A) undertake a Post Construction Assessment of all sealed Route Council Roads to capture namely the visual, roughness, rutting, texture and structural condition of the roads.
 - (B) provide a written report on the results of that Post Construction Assessment which must show:
 - (iv) Visual assessment
 - (v) Serviceability test results:
 - a. Roughness
 - b. Rut Depth
 - c. Texture Depth
 - (vi) Structural Assessment:
 - a. Pavement Profile
 - b. Design Traffic
 - c. Layer Modules
 - d. Remaining Life (ESA's)
 - (2) In relation to all unsealed Route Council Roads:



- (A) undertake a Post Construction Assessment of all unsealed Route Council Roads by recording video footage of the unsealed Route Council Roads from a motor vehicle travelling the unsealed Route Council Roads; and
- (B) provide a written report on the results of that Post Construction Assessment which must:
 - (iii) include clear digitally recorded footage of the unsealed Route Council Roads by from a motor vehicle travelling the unsealed Route Council Roads:

record the GPS coordinates of the route travelled as well as length in kilometres of each unsealed Route Council Road.

(Post-Construction Assessment Report)

3 Upgrade Works and Maintenance

3.1 Upgrade Works

Prior to the commencement of Component Haulage, the Company must procure that the Contractor, at its own cost and subject to obtaining any necessary approvals, undertake the Upgrade Works.

3.2 Maintenance of Route Council Roads during the Construction Period

- (a) Subject to this clause, the parties agree that the Council will continue to carry out Usual Council Maintenance of all Route Council Roads during the Construction Period.
- (b) Subject to clause 3.2(d) and obtaining any necessary approvals, the Company must, at its cost, promptly undertake all maintenance on the Route Council Roads during the Construction Period that is necessary to address any damage caused by traffic associated with the construction of the Project, which is:
 - (1) over and above the Usual Council Maintenance; and
 - (2) necessary to render the Route Council Roads safe and trafficable (Additional Maintenance).
- (c) Where the Company fails to carry out the Additional Maintenance, the Council may, after 7 days from having provided notice to the parties in accordance with clause 9.1, carry out the Additional Maintenance itself and the costs incurred by the Council in doing so will be a debt due and owing by the Company to the Council.
- (d) For the avoidance of doubt, the parties agree that the Company will not be required to carry out any maintenance:
 - on the Route Council Roads required to address any damage caused by any Extreme Weather Events; or
 - on the Route Council Roads with a roughness index (based on the NASRA Roughness Meter) identified in the Baseline Assessment



- Report that is greater than 136 unless upgrade work has been performed by Council which would bring the count below 136; or
- on the Route Council Roads to the extent caused or contributed to by regular traffic or by third party heavy or oversize vehicles not associated with the construction of the Project.

4 Road Rectification Payment

- (a) The parties agree that the Company will pay to the Council, and the Council will accept, the Road Rectification Payment as required by this clause 4 in full; or
- (b) Come to mutual agreement with the Council to rebuild the road to a condition of equal or better standard than that identified ad determined in the preconstruction Baseline Survey.
- (c) Subject to clause 4(d), the Road Rectification Payment will be calculated based on (Rates to be agreed between Council and Vestas/Zenviron, however it is proposed to assess the current roads on site with council and come to a total agreed value to reconstruct each road (on a case by case basis). This cost is to be listed within this deed then based on the results of the Post Construction Assessment Report, Council and Vestas/Zenviron will either agree to pay a % for rectification based on actual damage or ESA's

OR

Reconstruct the road at the cost of the Company to a standard equal or better to that identified in the preconstruction Baseline Report

- (d) The parties agree that:
 - (1) The information relied upon in the Post Construction Assessment Report will determine the extent of rectification listed above. This is inclusive of:
 - (vii) Visual assessment
 - (viii) Serviceability test results:
 - a. Roughness
 - b. Rut Depth
 - c. Texture Depth
 - (ix) Structural Assessment:
 - a. Pavement Profile
 - b. Design Traffic
 - c. Layer Modules
 - d. Remaining Life (ESA's)
- (e) Within 1 calendar month of providing the Council with the Post-Construction Assessment Report, the Company must provide the Council with its estimate of the amount of the Road Rectification Payment (Estimate Notice).



- (f) On receipt of an Estimate Notice, the Council may either:
 - (1) notify the Company that the Council accepts its estimate of the Road Rectification Payment contained in the Estimate Notice (**Acceptance Notice**); or
 - (2) Propose that the Company undertake the rectification works; or
 - (3) notify the Company that it disputes the Company's estimate of the Road Rectification Payment by giving notice in writing within 1 calendar month of receipt of the Estimate Notice (**Dispute Notice**).
- (g) If the Council has not issued either an Acceptance Notice or a Dispute Notice within 1 calendar month of receipt of the Estimate Notice then it will be deemed to have issued an Acceptance Notice.
- (h) If the Council issues a Dispute Notice then:
 - (1) the amount of the Road Rectification Payment payable in accordance with this Deed will be determined in accordance with the provisions of clause 7; and
 - (2) the Company must pay the Road Rectification Payment within twenty (20) Business Days of:
 - the amount of the Road Rectification Payment being determined in accordance with the provisions of clause 7;
 - (B) the Council providing a tax invoice for that amount.
- (i) If the Council issues, or is deemed to have issued, an Acceptance Notice, then the Company must pay the Road Rectification Payment within twenty (20) Business Days of the Council providing a tax invoice for that amount.
- (j) The Council must apply the Road Rectification Payment towards maintaining, restoring or reinstating the Route Council Roads.

5 Acknowledgement of Satisfaction of Planning Permit Requirements

- (a) The Council acknowledges and agrees that the Company's compliance with the requirements under this Deed will wholly satisfy the obligations imposed on the proponent under conditions 14.c), 14.d), 14.g), 14.l), and 14.m) of the Planning Permit.
- (b) Payment of the Road Rectification Payment by the Company shall:
 - (1) be the Council's sole and exclusive remedy against the Company for any increase in the average NAASRA Roughness Meter rating for each Route Council Road, or any other damage or dilapidation to a Route Council Road caused by construction of the Project; and
 - (2) be in full satisfaction of a breach by the Company of its obligation under clause 3.2 in respect of the Route Council Roads.



6 Position of the Council

6.1 Deed does not fetter discretion

This Deed is not intended to operate to fetter, in any unlawful manner:

- (a) the power of the Council to make any law; or
- (b) the exercise by the Council of any statutory power or discretion, (**Discretion**).

6.2 Severance of provisions

- (a) No provision of this Deed is intended to, or does, constitute any unlawful fetter on any Discretion. If, contrary to the operation of this clause, any provision of this Deed is held by a court of competent jurisdiction to constitute an unlawful fetter on any Discretion, the parties agree:
 - (1) they will take all practical steps, including the execution of any further documents, to ensure the objective of this clause 6 is substantially satisfied;
 - (2) in the event that paragraph 6.2(a)(1) cannot be achieved without giving rise to an unlawful fetter on a Discretion, the relevant provision is to be severed and the remainder of this Deed has full force and effect; and
 - (3) to endeavour to satisfy the common objectives of the parties in relation to the provision of this Deed which is held to be an unlawful fetter to the extent that it is possible having regard to the relevant court judgment.
- (b) Where the law permits the Council to contract out of a provision of that law or gives the Council power to exercise a Discretion, then if the Council has in this Deed contracted out of a provision or exercised a Discretion under this Deed, then this Deed is not to be taken to be inconsistent with the law.

6.3 No obligations

Nothing in this Deed will be deemed to impose any obligation on the Council to exercise any of its functions under the Legislation in relation to the Route Council Roads in a certain manner.

7 Dispute resolution

7.1 Negotiations

If a dispute between the parties arises out of, or in connection with any aspect of this Deed then:

- the party affected by the dispute must notify the other party of the nature and extent of the dispute;
- (b) the parties undertake to use their best endeavours to settle the dispute expeditiously by negotiation; and



(c) a party must comply with the process set out in clause 7.2 before commencing court or other proceedings except where that party is seeking urgent interlocutory relief or if the other party has unreasonably failed to comply with its obligations under this clause 7.

7.2 General Manager and CEO meeting

- (a) If the dispute is not resolved within 10 Business Days of a party advising the other party of a dispute under this Deed, a party may convene, and the other party must attend, a without prejudice meeting of the chief executive officer or general manager (or equivalent officer) of each party (**CEO Meeting**) with the objective of settling the dispute.
- (b) The party requesting a CEO Meeting must give not less than 10 Business Days' written notice to the other party of the time and place for the CEO Meeting.
- (c) Each party must procure that its chief executive officer or general manager (or equivalent officer) attends the CEO Meeting and has authority to negotiate and settle the issues in dispute. Each chief executive officer or general manager (or equivalent officer) must use its best endeavours to resolve the dispute.
- (d) The CEO Meeting must take place within 15 Business Days of the service of the notice under clause 7.2(b).

7.3 Referral to Expert

- (a) If the CEO Meeting fails to resolve a dispute within one month or a CEO Meeting has not taken place within the time required under clause 7.2, then the provisions of clause 7.3 will apply to the resolution of the dispute.
- (b) The parties must endeavour to agree on an independent person to serve as the Independent Expert within 10 Business Days of the elapsing of:
 - one month after the date of a CEO Meeting, if the dispute is not resolved during that period; or
 - the period in which a CEO Meeting is required to occur under clause 7.2, if no CEO Meeting has occurred during that period.
- (c) If the parties are unable to agree on an independent person to serve as the Independent Expert, then a party may request the president for the time being of the Institute of Engineers Australia to appoint a suitably qualified person to act as the Independent Expert. The parties may make written submissions to that person on the choice of candidate.
- (d) The parties agree that the person appointed as the Independent Expert must:
 - (1) be appropriately qualified by their education, experience and training to determine the issues in dispute; and
 - not have any relationship or association with the parties or their representatives which may affect their impartiality.
- (e) The parties agree to instruct the Independent Expert that the Independent Expert must:
 - (1) act as an expert and not an arbitrator;
 - (2) give a written decision (including reasons); and
 - (3) endeavour to give that decision as soon as practicable.



- (f) The parties may make submissions to the Independent Expert and the parties agree to give every assistance that the Independent Expert requires, including providing copies of relevant documents with a view to reaching a decision without delay.
- (g) Each party is to bear its own costs in relation to the dispute but the costs of the Independent Expert will be borne by the parties in the proportions determined by the Independent Expert.
- (h) The Independent Expert's determination is conclusive and binding on the parties in the absence of manifest error.

8 GST

8.1 Interpretation

- (a) Except where the context suggests otherwise, terms used in this clause 8 have the meanings given to those terms by the *A New Tax System (Goods and Services Tax) Act 1999* (as amended from time to time).
- (a) In this clause 8:
 - (1) **"monetary consideration"** means any consideration expressed as an amount of money; and
 - (2) "non taxable supply" means a supply that is not a taxable supply.
- (b) Any part of a supply that is treated as a separate supply for GST purposes (including attributing GST payable to tax periods) will be treated as a separate supply for the purposes of this clause.
- (c) A reference to something done (including a supply made) by a party includes a reference to something done by any entity through which that party acts.

8.2 Reimbursements

Any payment or reimbursement required to be made under this deed that is calculated by reference to a cost, expense, or other amount paid or incurred will be limited to the total cost, expense or amount less the amount of any input tax credit to which an entity is entitled for the acquisition to which the cost, expense or amount relates.

8.3 Additional amount of GST payable

If GST becomes payable on any supply made by a party ("Supplier") under or in connection with this deed:

- (a) any amount payable or consideration to be provided under any provision of this deed (other than this clause), for that supply is exclusive of GST;
- (b) any party ("Recipient") that is required to provide consideration to the Supplier for that supply must pay an additional amount to the Supplier equal to the amount of the GST payable on that supply ("GST Amount") at the same time as any other consideration is to be first provided for that supply; and
- the Supplier must provide a tax invoice to the Recipient for that supply, no later than the time at which the GST Amount for that supply is to be paid in accordance with this clause.



8.4 Variation

- (a) If the GST Amount properly payable in relation to a supply (as determined in accordance with clause 8.3), varies from the additional amount paid by the Recipient under clause 8.3, then the Supplier will provide a corresponding refund or credit to, or will be entitled to receive the amount of that variation from, the Recipient.
- (b) The Supplier must issue an adjustment note to the Recipient in respect of any adjustment event occurring in relation to a supply made under or in connection with this deed as soon as reasonably practicable after the Supplier becomes aware of the adjustment event.

9 General

9.1 Notices

- (a) A party notifying or giving notice under this Deed must do so in writing sent by registered post or facsimile and the original by post to the party at the address number specified in Schedule 1 of this Deed or to such other address as notified by each relevant party from time to time for the purpose of this clause.
- (b) A notice given in accordance with clause 9.1(a) will be deemed to have been given and received:
 - (1) if posted, three business days after posting;
 - (2) if sent by facsimile on confirmation of the correct transmission of the facsimile; and

any notice received after 5.00 pm or on a day not a business day shall be deemed to have been received at 9.00 am on the next business day.

9.2 Governing law

- (a) This Deed is governed by the laws of Victoria.
- (b) Each party irrevocably submits to the exclusive jurisdiction of courts exercising jurisdiction in Victoria and courts of appeal from them in respect of any proceedings arising out of, or in connection with, this Deed. Each party irrevocably waives any objection to the venue of any legal process in these courts on the basis that the process has been brought in an inconvenient forum.

9.3 Entire agreement

This Deed constitutes the entire agreement between the parties with respect to its subject matter. It supersedes all previous agreements between the parties with respect to the matter the subject of this Deed.

9.4 Further assurances

Each party must execute and do all acts and things necessary or desirable to implement and give full effect to the provisions and purpose of this Deed.



9.5 Severance

If any part of this Deed is, or becomes, void or unenforceable, that part is, or will be, severed from this Deed so that all parts that are not, or do not become, void or unenforceable remain in full force and effect and are unaffected by that severance.

9.6 Counterparts

If this Deed consists of a number of counterparts, each is an original and all of the counterparts together constitute the same document.

9.7 Waiver

No party may rely on the words or conduct (including delay in the exercise of a right) of any other party as a waiver of any right arising under or in connection with this Deed unless the waiver is in writing and signed by the party granting the waiver.

9.8 Variation

A variation of any term of this Deed must be in writing and signed by the parties.

9.9 Costs

Each party is to pay their own Costs in respect of the negotiation, preparation and execution of this Deed.



Schedule 1

Notice details

Type Category Lal Lal Wind Farms Pty Ltd

Address Level 6, 50 Martin Place, Sydney NSW 2000

Attention

Phone

Fax

Email

Type Category Moorabool Shire Council

Address 15 Stead Street, Ballan VIC 3342

Attention

Phone

Fax

Email

68353298 32 of 86 page 15



print name

Signing page

Executed as a deed Signed for Lal Lal Wind Farms Pty Ltd ACN 615 861 259 by its authorised representative in the presence of sign here ▶ sign here ▶ Representative Witness print name print name [confirm Council execution clause] Signed sealed and delivered by [insert details] in the presence of Бy sign here ▶ sign here ▶ Witness Representative

print name

8.3 Main Street, Gordon – Township Improvements Concept Plan

Introduction

Author: Sam Romaszko General Manager: Phil Jeffrey

Background

In 2015, Council commissioned an Infrastructure Study for the township of Gordon which provided strategic direction for future road, drainage & footpath network upgrades throughout the town to service current and anticipated growth. The study provided key outcomes which inform future infrastructure upgrades.

Council has subsequently included in the 2017/18 Capital Improvement Program an allocation of \$50,000 for engineering and landscape design works in Main Street, Gordon between Old Western Highway and Stanley Street.

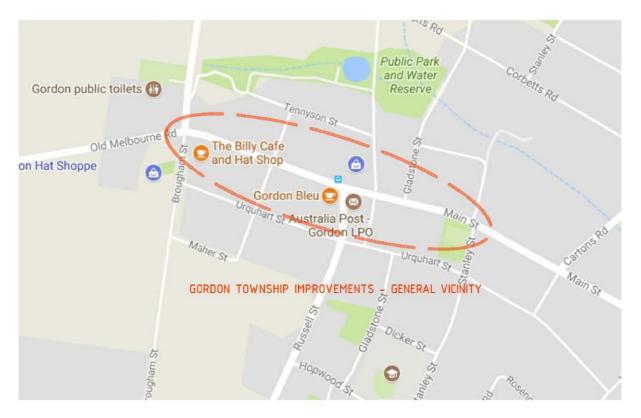


Fig 1. Township Improvements focus - Main Street, Gordon (from Old Western Highway to Stanley Street)

A concept plan has been developed that includes engineering and landscape design elements that further develop scenarios from the Infrastructure Study. The plan gives consideration to:

- Intersection treatments at Old Western Highway and Russell Street
- Street trees and feature planting
- Footpath network and pedestrian connectivity
- Community amenity areas
- Parking provisions
- Drainage improvements

Community consultation sessions were held to source community feedback on the conceptual layout plans for the main street. The sessions were held at the Gordon Public Hall in Main Street, Gordon on Tuesday 21 November and Thursday 23 November 2017. The sessions were advertised via a number of platforms including social media, newspaper, community notice boards, letter drops to directly affected residents and council's website.

The sessions were attended by in excess of 40 community members with 26 submissions received through a questionnaire developed to further inform the design process. Overall the conceptual plans were generally well received by the community with the majority of feedback generally being positive.

Council officers provided further opportunity for the community to contribute ideas towards the project via Council's Have Your Say online portal. The portal was open for 2 weeks and closed Friday 8 December 2018. Council received four submissions through this medium

A detailed summary of the community feedback can be viewed within the attached report. Key feedback items from submissions received included:

- 74% agreed with the inclusion of an amenity area (seating, low planting, paving etc.) with the majority believing the intersection of Russell and Main St being the most appropriate location
- 66% of respondents thought that new trees should be planted on the southern side of Main Street
- Over 50% supported autumn foliage as the most appropriate street tree theme for the main Street
- 55% had no objection to removing the bluestone open drain and reusing the material as a feature as part of any new amenity area.
- 50% supported the construction of a footpath on the southern side of Main Street for the length subject site.

The purpose of this report is to present the concept plans developed, associated community feedback and officers recommendations for approval to proceed to detailed design.

Proposal

It is proposed that the Council adopt the concept plans presented to the community, inclusive of the following recommendations that have taken into consideration community feedback, consultants and council officers;

Main Street/ Old Western Highway Intersection

The intersection of Main Street and Old Western Highway/Brougham Street be designed as a roundabout in accordance with the alternate design arrangement shown on the Concept Plan. This treatment will provide achieve greater safety outcomes for all road users as this will slow east bound vehicles entering the Main Street at this location. A roundabout will also act as an entrance or gateway to the Main Street and give greater emphasis to the streetscape precinct.

Footpath Works

The concept plan shows a 2.5m wide shared path from Old Western Highway to Stanley Street on the southern side. It's proposed to reduce this to a standard 1.5m wide pedestrian sealed footpath with a consistent offset of between 0.5m - 1m from the boundary line. The reduction in width is proposed to allow for wider nature strips to incorporate an improved street tree layout.

This would see cyclists utilise the road pavement, with widening of the carriageway, and further design elements including kerb outstands amended to ensure a safe path of travel for cyclists within the town. It is noted that children aged 12 years and under are legally allowed to ride on a standard footpath.

Footpath connectivity

Feedback received highlighted a lack of connectivity through the township. As a result, the scope of footpath design will be expanded to investigate footpath connectivity along Main Street from Gordon Recreation Reserve to St. Michaels Catholic Primary School at the western end of the town.

Main Street/Russell Street Intersection

A number of options were presented in relation to the Russell Street and Main Street intersection. The implementation of the alternate design arrangement shown on the concept plan will see improved pedestrian connectivity through the construction of kerb outstands and splitter island, and also increased amenity landscaping outcomes.

Within this precinct area, there are 10 existing parking spaces. The design proposes to formalise these parking bays in a consistent manner and may achieve up to 15 parking bays, in the event the bus stop is relocated. The design will aim to maximise parking opportunities in this area and aim to achieve a net increase of car parking spaces.

Street Trees

Feedback received nominated landscaping and aesthetics as the most important aspect of the proposed design. The tree species nominated on the concept plan have been carefully considered due to restriction of overhead power lines. Powercor conducts tree trimming for line clearance on a three year cycle, and therefore planting unsuitable species in this area would denigrate the aesthetic appeal with heavily trimmed trees once established.

Given this, the street tree layout nominated shall be generally in accordance with the concept plan. Further investigation of a double row of street trees along the southern nature strip will occur, following a number of requests by community members.

Bluestone Open Swale Drain (South side)

There is an existing bluestone pitcher open drain on the south side of Main Street, between Lyndhurst Street and Stanley Street which isn't specifically shown on the Concept Plan. Residents were asked if they would object to the drain being removed (and replaced with another form of drainage) to which there were some strong views to assess its heritage significance.

A recent West Moorabool Heritage study identified that this open drain had no formal heritage significance. Given the strong views on retaining the bluestone pitchers, it's recommended that they be re-used as part of the high amenity precincts as identified through the design process.

The existing open drain provides significant challenges in the event it was retained in its current form. In order to provide continuity along the street and accommodate new footpaths and street trees in this location, the proposal to remove the drain and construct underground drainage in this location will reduce maintenance into the future. Large portions of the drain will likely be removed when the adjacent land is developed and crossover constructed.

Open Swale Drain (North side)

The existing swale drain on the north side of Main Street from the Gordon General Store to the Gordon Public Hall will be maintained in its current form with only minor reinstatement works.

Bus Stop Locations.

Council officers will work with Public Transport Victoria, V-Line and local bus companies to review the current bus stop locations, with the view to consolidate and ensure they are strategically placed to best service the community.

Further to the adoption of the above recommendations, it is proposed that the Council approve proceeding to detailed design. Key construction projects will be derived from the detailed design work which will be put forward for consideration in the future Capital Improvement Programs.

Policy Implications

The Council Plan 2017 – 2021 provides as follows:

Strategic Objective 1: Providing Good Governance and

Leadership

Context 1A: Our Assets and Infrastructure

Action 5: Deliver Annual Capital Improvement

Programs

The proposal is consistent with the Council Plan 2017 – 2021.

Financial Implications

Council has included in the 2017/18 Capital Improvement Program an allocation of \$50,000 for the engineering and landscaping design works for Main Street, Gordon between Old Western Hwy and Stanley Street.

Following completion of the design works funded in 2017/18, construction of these works will be referred to the Long Term Capital Improvement Program for consideration in future budgets or through grant opportunities.

Risk & Occupational Health & Safety Issues

Risk Identifier	Detail of Risk	Risk Rating	Control/s
Community need and reputation	Exposes Council to a number of risks if items within the Concept Plan are not implemented	Medium	Future planning for recommendations identified in context of other capital priorities
Financial	Ability to fund items within the Concept Plan	High	Pursue external funding options

Communications and Consultation Strategy

The following community engagement activities have been undertaken, in accordance with the Council's Community Engagement Policy and Framework.

Concept Plan Development

Level of Engagement	Stakeholder	Activities	Location	Date	Outcome
Consult	Community	Open house session with feedback requested through questionnaire	Gordon Public Hall	21 Nov 2017	Feedback including concerns raised were reflected in this Council
		Draft Concept Plan was displayed for comment		23 Nov 2017	Report
Consult	Community	Draft Concept Plan and questionnaire advertised for comment	Council website	24 Nov 2017 to 08 Dec 2017	Feedback considered and reflected this Council Report

Victorian Charter of Human Rights and Responsibilities Act 2006

In developing this report to Council, the officer considered whether the subject matter raised any human rights issues. In particular, whether the scope of any human right established by the Victorian Charter of Human Rights and Responsibilities is in any way limited, restricted or interfered with by the recommendations contained in the report. It is considered that the subject matter does not raise any human rights issues.

Officer's Declaration of Conflict of Interests

Under section 80C of the Local Government Act 1989 (as amended), officers providing advice to Council must disclose any interests, including the type of interest.

General Manager – Phil Jeffrey

In providing this advice to Council as the General Manager, I have no interests to disclose in this report.

Author – Sam Romaszko

In providing this advice to Council as the Author, I have no interests to disclose in this report.

Conclusion

The 2017/18 Capital Improvement Program includes design improvement works for Main Street, Gordon between Old Western Hwy and Stanley Street.

Conceptual layout plans were prepared for consideration by the community at consultation sessions held in Gordon and also through Council's online forums.

It is recommended that Council endorse the concept plan as presented at the community consultation session, with recommendations that have been collated with consideration to community feedback, with the view to proceed to detailed design.

Recommendation:

That Council:

- 1. Adopts the concept plans for Main Street, Gordon as attached inclusive of the following amendments;
 - a. The intersection of Main Street and Old Western Highway to be designed as a roundabout.
 - b. A 1.5m sealed pedestrian footpath on the south side of Main Street, from Old Western Highway to Stanley Street.
 - c. Investigate footpath connectivity along Main Street from Gordon Recreation Reserve through to St. Michaels Catholic Primary School.

- d. The intersection of Russell Street and Main Street to be generally designed in accordance with the alternate design arrangement shown on the concept plan.
- e. The street tree layout nominated shall be generally in accordance with the concept plan.
- f. The bluestone pitchers table drain to be removed and utilised within the high amenity areas of the design.
- g. The swale drain on the north side of Main Street from the Gordon General Store to the Gordon Public Hall will be maintained in its current format with minor reinstatement works to improve functionality.
- h. Consolidation of bus stops, following consultation with Public Transport Victoria, V-Line and local bus companies.
- 2. Authorises officers to proceed to detailed design generally in accordance with the plan with the recommendations listed above.
- 3. Requests officers to provide advice regarding the final outcome to all people that made submissions.

Report Authorisation

Authorised by:

Name: Phil Jeffrey

Title: General Manager Infrastructure **Date:** Wednesday, 13 December 2017

Attachment Item 8.3



Gordon Township Improvements

Summary Report of Community Consultation

Prepared for: Moorabool Shire Council 15 Stead Street, Ballan

Prepared by: RMG 92 Wills Street, Bendigo 3550 0409 556 781 www.rmg.com.au

Sentient Design PO Box 128 Elphinstone 3448 0457 412 274 www.sentientdesign.com.au

12 December 2017

INTRODUCTION

Residents of Gordon were invited to attend one of two drop-in sessions to view two Gordon Township Improvement projects. The sessions were conducted at the Gordon Public Hall on both Tuesday 21st and Thursday 23rd November between 4 and 7pm.

This report summarises the response to the Main Street Urbanisation plan. This plan detailed proposed infrastructure and landscaping improvements including:

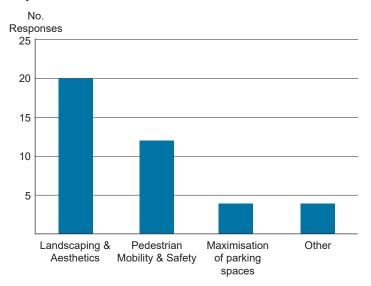
- Footpaths, including pedestrian connectivity
- Kerb and channel
- Parking improvements
- Road safety improvements
- Drainage improvements
- Intersection improvements
- Street tree and feature planting

Staff from RMG, Sentient Design and Moorabool Shire Council were present throughout the drop-in sessions to answer questions and explain the proposed improvements. Visitors were encouraged to complete a survey, and notes were also taken during the sessions.

Surveys were collected on the night, or received by electronic or hard copy until 8th December. 29 surveys were received in total.

A copy of the engagement flyer and the survey have been included as appendices.

What do you feel is the most important aspect of any improvements to Main Street?

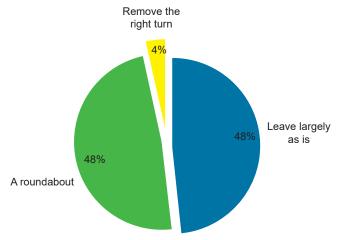


Analysis:

Landscape and aesthetics was the most important aspect, followed by pedestrian mobility and safety. Approximately half of the respondents made additional comments, with many of these in reference to the need for parking that services the Public Hall, Post Office and Gordon Bleu, and some in favour of greenery. The need for a better road surface was also mentioned.

- The community response reinforces the commitment to street trees for future amenity, and to improvements in safety and path connections for pedestrians.
- Parking should be maximised around the intersection of Russell and Main Streets, and ensure that accessible parks are located appropriately in relation to the Public Hall and Post Office. The existing design achieves this relatively well, however kerb outstands on the south west should be lengthened to increase parking in front of Gordon Bleu.
- Some respondents have mentioned the Gordon Planning Scheme and that the proposed works should tie in with the further vision for Gordon. Council should investigate areas for Commercial opportunities and try to align increased parking and amenity in those areas.

What do you believe is the best treatment for the intersection of Main Street and the Old Western Highway?

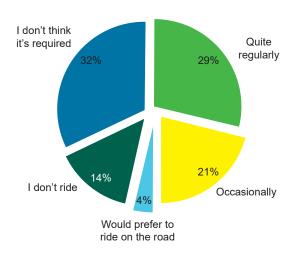


Analysis:

Response were evenly split between retaining the intersection largely as is and creating a roundabout. Some respondents considered the current situation dangerous. Some respondents mentioned the need for a potential roundabout to accommodate large vehicles and not impede sight lines.

- Although the results are split, a roundabout is the desirable treatment due to the road safety benefits achieved. Sight distance from Brougham Street is poor, and a roundabout will slow vehicles and thereby increase safety. A roundabout will not necessarily reduce the incidence of crashes, but it will reduce the severity of crashes
- The existing concept caters for B-Double turning movements
 Further consideration needs to be given to how pedestrians and bicycles move through the intersection, particularly from the shared path along Main Street.
- The design of a roundabout should reinforce the location as a 'gateway' to the town, with additional landscaping as is feasible.
- The potential need to amend the property boundaries on the south side of Main Street to accommodate a roundabout and potential pedestrian paths should be investigated.

A 2.5m shared path is currently proposed along the southern part of Main Street. How regularly would you (or your dependents) ride a bike on this shared path?

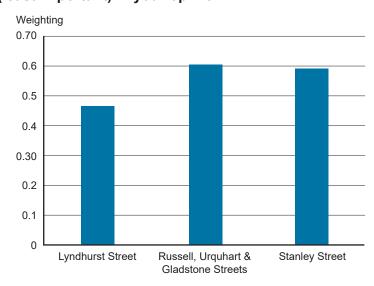


Analysis:

Half of respondents would use the proposed shared path quite regularly or occasionally, while a third do not think the shared path is required. The proposed path was seen by some as an important link along Main Street, particularly for school children traveling to either of the two schools.

- The proposed 2.5m shared path that services pedestrians and cyclists on the south side of Main Street should be maintained in the plan. If budget constraints restrict this being provided from Stanley Street to Brougham Street, then priority should be given to a shared path from Russell Street to Brougham Street.
- Attention should be made to connections west of Brougham Street, and across Main Street as strategic points to maximise its potential usage.
- Aesthetics and vegetation have been identified as a high priority for the proposed works; so perhaps rather than building the path close to the boundary, it could be run roughly central in the nature strip (meandering around power poles as necessary). This would allow street trees on both sides of path, and would also offer setback/sight distance improvements from private driveways.
- Some respondents suggested they would prefer an asphalt path over a concrete path. It is agreed that asphalt is appropriate and would be more aesthetically pleasing than concrete.

The plan shows three possible future footpath links to other town footpaths. Can you number them from 1 (most important) to 3 (least important) in your opinion?

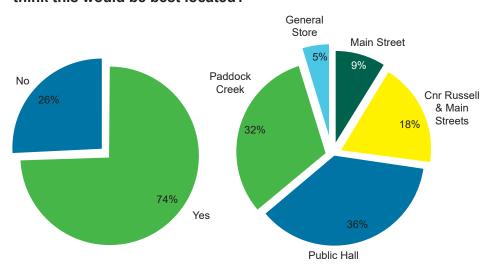


Analysis:

The "Russell, Urquhart and Gladstone Street" and "Stanley Street" footpath link options were the most supported, with the Lyndhurst Street link less preferred. Comments mentioned the need to provide an improved connection to the Primary School, who sometimes organise formal walk-to-school days.

- Priority should be reassessed closer to the time of construction.
- In addition to the above, a number of residents mentioned a desire to continue the proposed path on the north side of Main Street to connect with the existing path that runs from Cemetery Lane to the football oval
- One resident asked to be contacted about the path on the east side of Russell Street as the existing proposal runs beside their house which is built to the boundary (the back of the Post Office building). This issue was resolved on site after the consultation session. The path will be aligned along the back of kerb in that location to maximise their privacy.
- A number of people spoke about their desire to have
 Lyndhurst Street sealed and receive drainage upgrades.
 Given the low priority given to the proposed path, it may be best to delay this option and see if the path can be built as part of overall improvement works to Lyndhurst Street in the medium term.

Do you think a small area of higher amenity (seating, low planting, paving) would be a worthwhile inclusion? If yes, where do you think this would be best located?



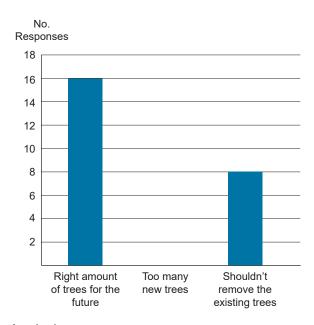
Analysis:

There was considerable support for an area of higher amenity, with 74% of people in favour. There was a variety of responses to where this should be (options were not provided), with Public Hall being the most favoured. Paddock Creek was also highly favoured, although not specifically within the scope of this project.

In relation to the Main Street sites; despite the practical reasons (including the presence of a bus stop and telephone box and excellent visibility) to consider the area outside the Post Office as most suitable for increased amenity, community preference is clearly to the Public Hall.

- The main amenity area with seating, low planting and natural shade should be located in the road reserve adjacent to the Public Hall
- There will still be a need to formalise crossing points and the bus stop near the post office. The residents place high value on the heritage Post Office building, so any works here should take into account that character and avoid major obstruction of the PO.
- Following on from the recommendation in question 4
 regarding Lyndhurst Street, a higher amenity area at
 Paddock Creek/overall improvements to the park could be
 investigated and included in a secondary project.

How do you feel about the proposed tree planting along the south side of Main Street?

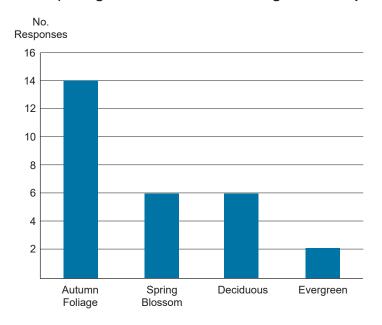


Analysis:

Most respondents thought the plan had the right amount of trees for Main Street. A quarter of respondents did not want the existing trees to be removed. In the written responses, there was a positive response to the notion of "an avenue" of trees.

- The proposed planting layout should be maintained. This
 includes infill planting of trees (matching existing species)
 along the northern side of Main Street and extensive new
 tree planting along the southern side.
- There was some concern that trees proposed for the southern side of Main Street are of large enough size to have impact. Given the existing powerlines, Moorabool need to determine what level of encroachment and subsequent risk and maintenance) would be acceptable.
- Trees already existing along this side of the street that do not pose any risk due to poor form, structure or health should be maintained in the streetscape while new trees mature.
- Additional consultation should be done to determine appropriate siting and species of tree for Russell Street adjacent to the post office.
- As per comment to question 3, a centrally located path would allow for two rows of plantings on the south side of Main street.

What type of trees would be your preference for new trees in Main Street (taking into account the existing overhead power lines)

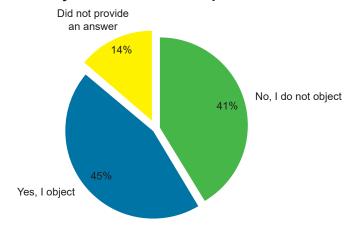


Analysis:

Autumn foliage was clearly the most popular tree characteristic to consider in choosing street tree species with nearly 50% of respondents selecting that option. "Spring blossom" and "deciduous" were also popular.

- Both tree species proposed on the plan for Main Street provide attractive autumn foliage, and the Crepe Myrtle also provides spring flowers.
- The proposed species should be maintained and presented to the Parks & Gardens Unit for comment and/or formal approval.

There is an existing bluestone pitcher open drain on the south side of Main Street, between Lyndhurst Street and Stanley Street. Would you object to the drain being removed (and replaced with another form of drainage) and the bluestone pitchers being re-used in some way within the streetscape?



Analysis:

Respondents were divided, with slightly more than half objecting to the removal of the pitchers. The written comments indicated a concern that it's potential heritage value was unknown, and should be established. There was a good level of support for reuse of the pitchers within the streetscape.

Given the specific height of installation in relation to the road, It is a significant constraint to an efficient civil design in the western end of Main Street.

Comments & Recommendations:

- The potential heritage significance of the bluestone pitcher drain should be investigated by the Shire of Moorabool Heritage Officer.
- If reasonably possible the civil design should retain the existing bluestone section of drain. It is expected this will only be possible if the road as maintained as a rural style profile for this section (kerb and channel still possible on the north side)
- A plan for reuse within the renewed streetscape should be made in the case they cannot be retained in place.

QUESTION 9

Do you know the history of this bluestone drain?

Comments & Recommendations:

A couple of useful suggestions for research were made.

 The potential heritage significance of the bluestone pitcher drain should be investigated by the Shire of Moorabool Heritage Officer.

Do you have any other comments relating to the proposed improvements?

Analysis:

While there was a variety of responses to this question, there were a several issues that were mentioned a few times.

- Many people were concerned that installation of kerb and channel would diminish the unique "country town" character of the town, and make it just like any other place.
- There was some concern about getting the finer design aspects and pedestrian crossing points around the intersection of Russell and Main Streets correct, and ensuring that the parking, amenity and tree planting is adequate, useful and appropriate respectively.
- There was concern regarding traffic speed and driver behavior, particularly around the intersection of Main Street and the Old Western Highway, and also at the intersection of Russell Street and Main Street.

- Consider whether there would be potential for a stone kerbing treatment to high profile areas in the street to maintain the "country town" character while still improving the civil design and fulfilling project objectives.
- Further refine the concept design for the area around the Russell Street/Main Street corner to maximise parking, to best site accessible car parks and to provide convenient and safe pedestrian crossing points.
- This more detailed design should consolidate existing and proposed infrastructure into a single amenity area at the current bus stop location. The exact siting and species of street trees for the end of Russell Street should be selected in consultation with the owners of the Post Office.
- Consider aspects outside of the immediate physical area of the project that may influence driver speed (this should be done as a part of broader project planning by Moorabool).
- Some responders mentioned the use of rumble strips, however the noise of rumble strips in residential areas would not be desirable.
- Given the common response that respondents want to keep the "village feel" of Gordon, care should be taken not to produce a generic urbanisation model. This is a project where less may be more.

Gordon Township Improvements



The Projects

Moorabool Shire Council has two current projects under development and wish to seek community input.

Gordon Township Improvement Plan

The Gordon Township Improvement Plan takes a wide look at the area and its issues, including visitor marketing, signage, economic development and infrastructure considerations, which together create a unique sense of place within a community. This document will help guide and inform future planning and design within the Gordon Township.

<u>Engineering Design - Urbanisation of Main</u> <u>Street</u>

A concept design has been prepared for the Main Street, from Stanley Street to Old Western Highway and incorporates a range of infrastructure and landscaping improvements, generally including:

- Footpaths, including pedestrian connectivity
- Kerb and channel
- Parking improvements
- Road safety improvements
- Drainage improvements
- intersection improvements
- Street tree and feature planting

What is the timeframe?

Community engagements sessions will be held during November 2017. Detailed design of the urbanisation of Main Street is anticipated to be completed in March 2018. The Gordon Township Improvement Plan is anticipated to be finalised and adopted by Council early in 2018.

We would like to hear from you!

Input from the community is an important part of these two projects.

Two drop in sessions have been scheduled;

Where? Gordon Public Hall

68 Main Street, Gordon

When? Tuesday 21 November and

Thursday 23 November

4.00pm - 7.00pm

These sessions will provide an opportunity for the community to feed in their thoughts and help set the future direction of infrastructure upgrades into the future.

Please contact the Engineering Services team on 5366 7100 for further information.

Mail PO Box 18 Ballan Vic 3342

Ballan 15 Stead St Ballan

Bacchus Marsh 215 Main St Bacchus Marsh

Darley 182 Halletts Way Darley

P (03) 5366 7100

E info@moorabool.vic.gov.au **W** www.moorabool.vic.gov.au

f

facebook.com/mooraboolshirecouncil



twitter.com/mooraboolshire



MAIN STREET, GORDON - URBANISATION

Moorabool Shire Council is planning to undertake infrastructure and landscape improvement works in Main Street, Gordon between the Old Western Highway and Stanley Street.

The proposed works generally include footpaths, incorporating pedestrian connectivity; kerb and channel; parking improvements; road safety improvements; drainage improvements; intersection improvements; street trees and feature planting. A concept plan has been prepared that indicatively shows the proposed works. The plan also shows possible alternative treatments for the intersections at the Old Western Highway and at Russell Street.

We would like to hear your response to the plan.

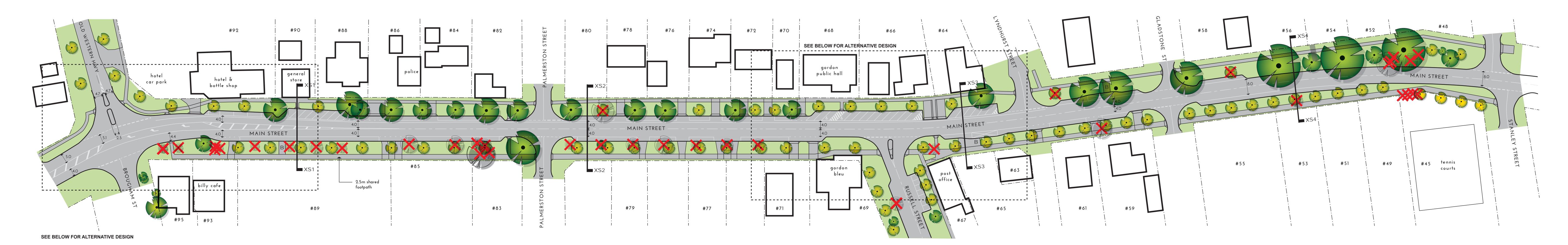
1.	What do you feel is the most important aspect of any improvements to Main Street?
	Landscaping & Pedestrian mobility Maximisation of parking spaces Other
Other co	mments
2.	What do you believe is the best treatment for the intersection of Main Street and Old Western Highway?
	Leave it largely as it is (as shown in the main plan) A roundabout (as shown in the alternative) Remove the right turn treatment
	Other
Other co	mments
3.	A 2.5m wide shared path is currently proposed along the southern side of Main Street. How regularly would you (or your dependents) ride a bike on this shared path?
	Quite regularly Occasionally Would prefer to ride on the road I don't ride
	I don't think it is required
Other co	mments

4.	The plan shows three possible future footpath links to other town footpaths. Can you number them from 1 (most important) to 3 (least important), in your opinion?
	Lyndhurst Street running from Main Street to Paddock Creek Russell, Urquhart & Gladstone Streets running from the post office to the primary school
	Stanley Street running from the tennis courts to the primary school
Other co	omments
5.	Do you think a small area of higher amenity (seating, low planting, paving) would be a worthwhile inclusion? If yes, where do you think this would be best located?
	Yes No
Best loca	ationation
6.	How do you feel about the proposed tree planting along the south side of Main Street?
	The right amount of trees for the future Too many new trees Shouldn't remove the existing trees
Other co	omments
7.	What type of trees would be your preference for new trees in Main Street (taking into account the existing overhead power lines)?
	Autumn foliage Spring blossom Deciduous Evergreen
Other co	omments
8.	There is an existing bluestone pitcher open drain on the south side of Main Street, between Lyndhurst Street and Stanley Street. Would you object to the drain being removed (and replaced with another form of drainage) and the bluestone pitchers being re-used in some way within the streetscape?
	No, I don't object Yes, I object
Other co	omments

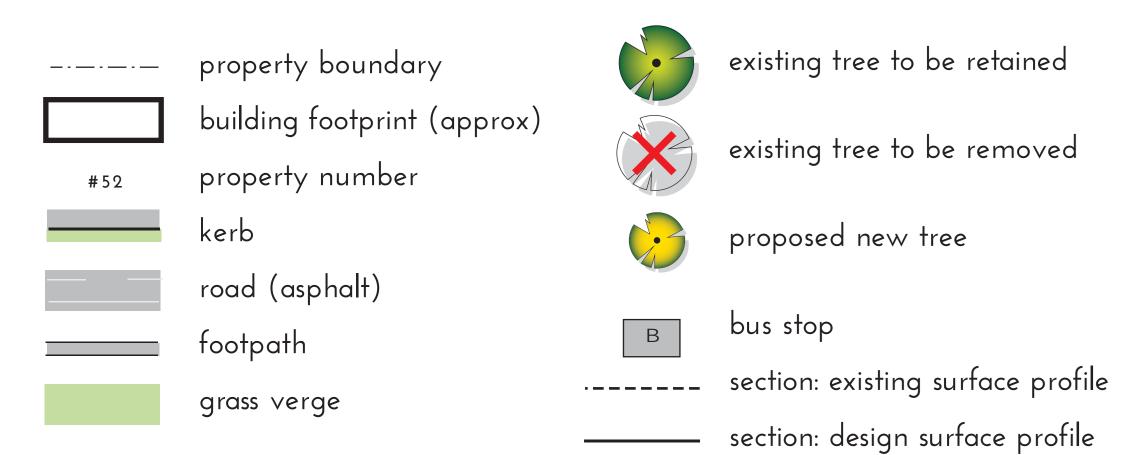
9.	Do you know the history of this bluestone drain?					
10.	Do you have any other comments relating	g to the pro	pposed improvements?			
		•••••				
Thank	you for your help.	Name:				
	nput will be used to finalise the plan nin Street.	Email:				
Please	e include your contact details (optional)	Addres	S:			

OVERALL STREETSCAPE PLAN

SCALE 1:500 (5 metres = 1cm)



DRAWING LEGEND



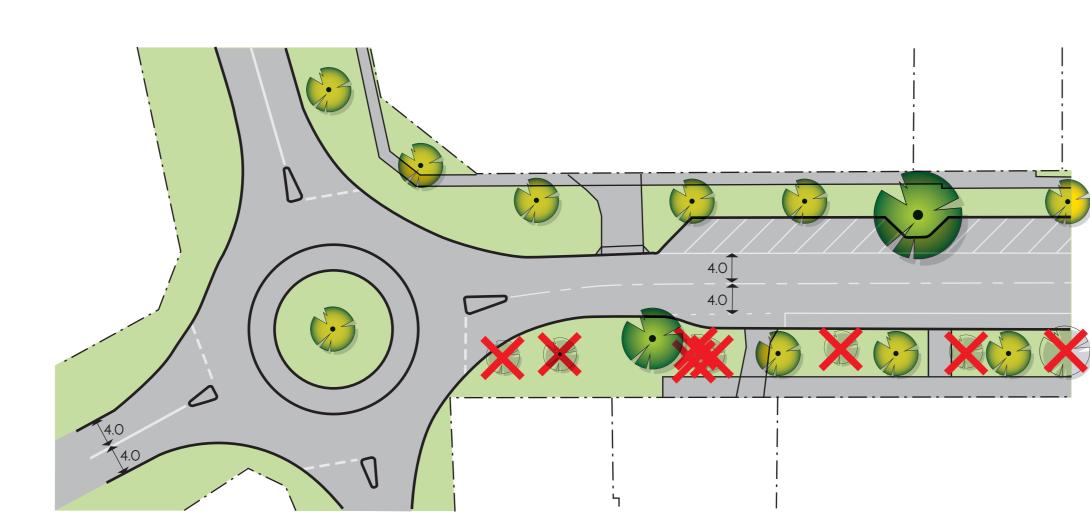
SUMMARY OF PROPOSED WORKS

- New median island at Old Western Highway.
- New parking arrangements in front of Hotel and General Store.
- Formalisation of intersections with new kerb and channel at Palmerston Street, Lyndhurst Street, Gladstone Street and Stanley Street.
- More pedestrian crossing opportunities across Main Street; including new crossing points at Old Western Highway, Palmerston Street & Russell Street.
- Provision of kerb and channel on the north side of Main Street, generally with parallel parking opportunities in front.
- Modifying Russell Street intersection to provide a safer pedestrian crossing and formalise parking within Russell Street.
- New kerb and channel in front of the public hall, to formalise angle parking and provide additional public open space.
- Relocating the bus stop on the north side of Main Street, from near the public hall, to in between Lyndhurst and Gladstone Streets.
- Providing new kerb and channel between Lyndhurst Street and Stanley Street to upgrade to an urban character.

ALTERNATIVE DESIGN

BROUGHAM ST/MAIN STREET INTERSECTION

This alternative design includes a roundabout at the intersection of the old Western Highway and Main Street, as well as a different parking arrangement in front of the hotel.



ALTERNATIVE DESIGN

RUSSELL ST/MAIN STREET INTERSECTION

This alternative design proposes a different crossing point to Main Street and different parking arrrangements along the north side of the street.



STREET TREES

EXISTING TREES

The dominant tree found both north and south of Main Street is the European Ash; Fraxinus excelsior. The trees on the northern side of the road are older, and have developed into an attractive and quite consistent corridor.

Those found on the southern side are younger, and many are showing little growth for their age. This characteristic may mean they may continue to struggle in the future, and never achieve the same size as those to the north.

Some large and mature oaks are found on the east end of the north side of Main Street. These are mostly Turkey Oaks; Quercus cerris, and a large English Oak; Quercus robur.

PROPOSED TREES

The plan shows proposed planting based on the following principles:

- Vacancies within an existing avenue of a consistent species to be infill planted with a tree of matching species
- On the south side of Main Street between Brougham and Palmerston Sts a new avenue of ash trees is proposed at 15m spacings to replace small trees of mixed species. It would be better to choose one of the newer cultivars with improved form and foliage, and will be unlikely to encroach upon powerline clearances. There is an option in this area to retain the existing trees for a few years until the newly planted ones are larger.
- This same ash at the same spacing is also proposed on the south side between Palmerston and Russell Sts to replace poor growing and mixed species individuals.
- On the south side of Main Street between Russell and Stanley Sts it is proposed that a smaller floriferous species is planted at 10m spacings to provide visual contrast to the oaks opposite.

PROPOSED TREE SPECIES

Crepe Myrtle

Lagerstroemia indica x L. fauriei 'Natchez'

A compact tree, 8m high and 6m wide with abundant white flowers through mid summer and autumn, and stunning bark.



Golden Ash

Fraxinus excelsior 'Aurea'

A round headed tree 7m high, 7m wide with brilliant gold autumn colour and black buds in winter.



VISUALISATION RUSSELL ST/MAIN STREET INTERSECTION



From the front of the post office showing the arrangement of bins, phone box, possible bus shelter etc.



VIEW 2

Looking from the south west corner of the intersection along the shared path

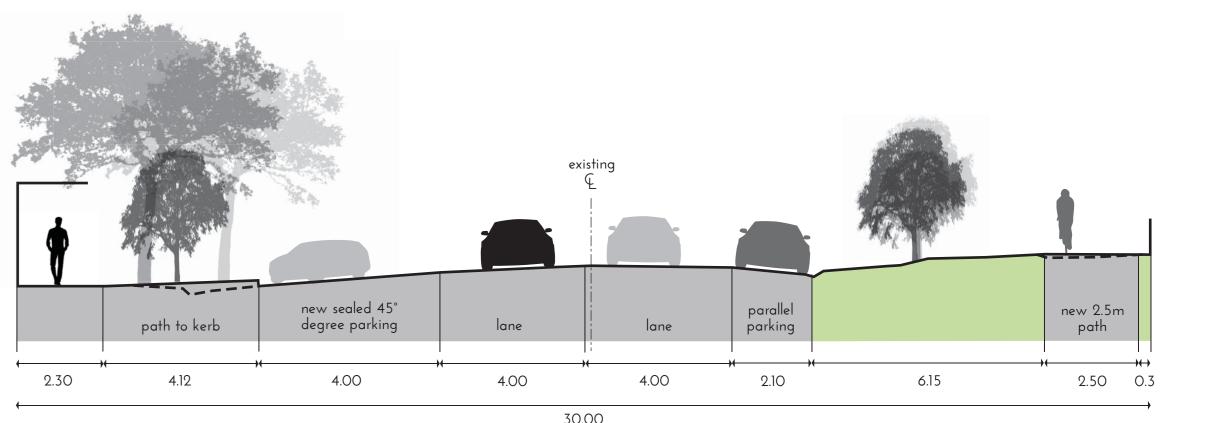


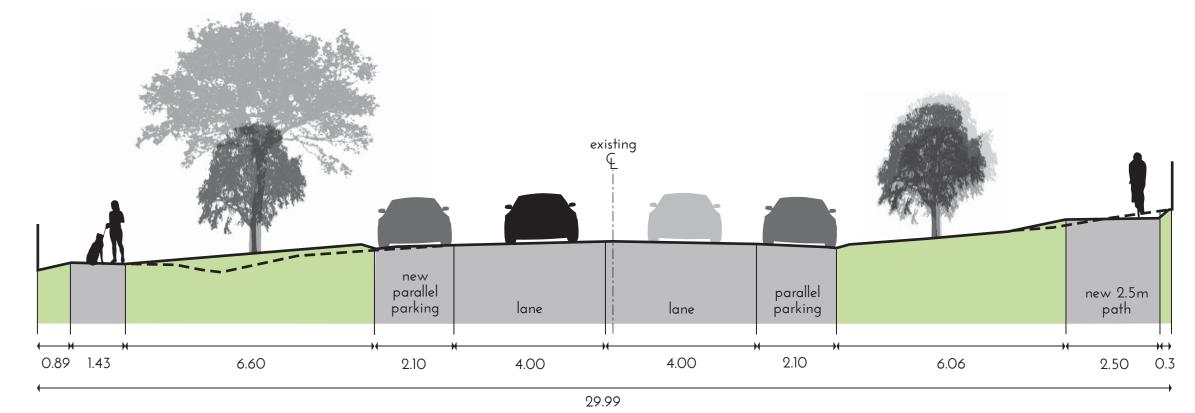
VIEW 3

Looking from the west side of Russell Street showing the new 90° angle parking outside the post office

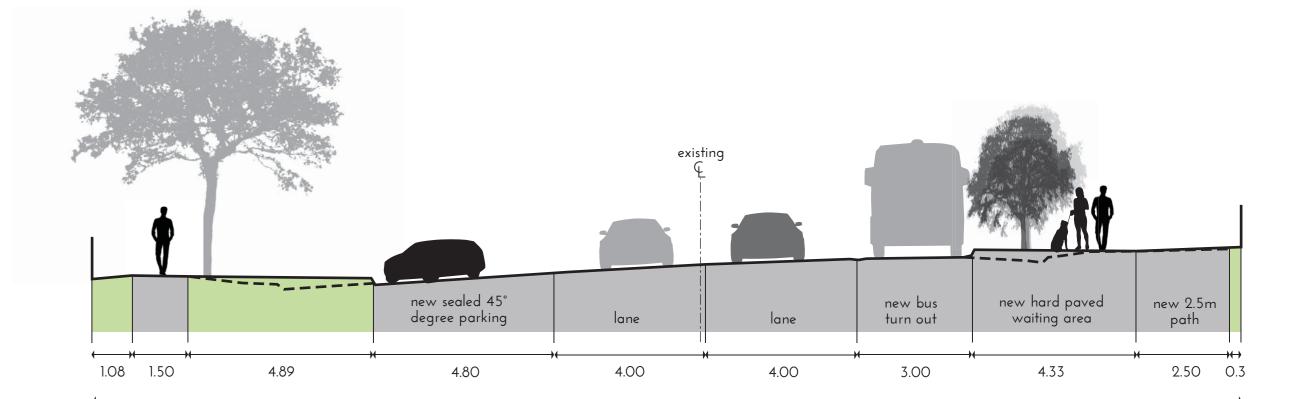
CROSS SECTION VIEWS

SCALE 1:100 (1 metre = 1cm)

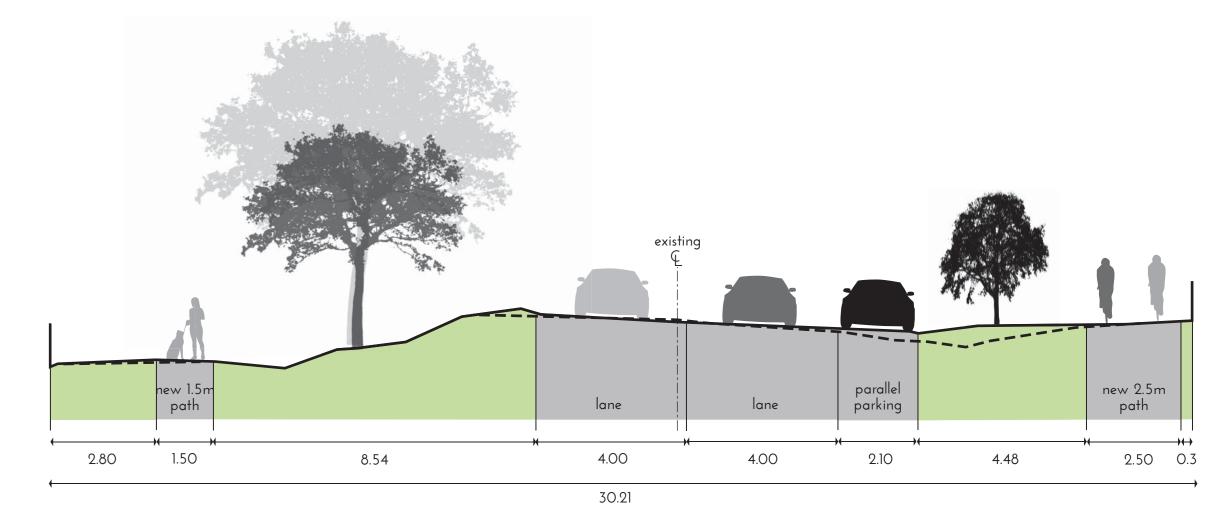




CROSS SECTION 2 - 20m EAST OF PALMERSTON ST



CROSS SECTION 3 - 6m EAST OF POST OFFICE



CROSS SECTION 3 - 60m EAST OF GLADSTONE ST







57 of 86

8.4 Consideration of a Rate Cap Variation for 2018/19

Introduction

Author: Steve Ivelja General Manager: Phil Jeffrey

The purpose of this report is to recommend that Council authorise the CEO to write to the ESC to indicate Council's intent to apply for a Rate Cap Variation. This step does not compel the Council to lodge a formal application but gives it the flexibility to consider a rate cap variation as an option as it progresses into the 2018/19 annual budget and planning cycle.

Background

In the 2016/17 financial year, Moorabool Shire Council applied to the Essential Services Commission (the ESC) for a rate cap variation. Moorabool Shire was one of 9 Victorian Councils (out of 78) that applied to the ESC. Of the 9 Councils that applied, 6 Councils were successful in receiving either a full or a partial rate cap exemption.

Importantly, Moorabool Shire was one of only 2 Councils that received 'unqualified' support from the ESC to increase rates above the established Ministers Rate Cap of 2.5%. Importantly, the ESC noted the integrity of Moorabool Shire's application and supporting data and systems which underpinned it.

To support the rate cap application, Moorabool Shire undertook extensive consultation with the community. The options prepared were:

- Option A What Council could deliver under the Minister's Rate Cap of 2.5% in Year 1.
- Option B What Council could deliver if it had a rate increase of 4.15% for 2016/17 (inclusive of a 1.65% rate cap variation) in addition to a likely rate increase of 4.15% for a further 3 years.
- Option C What Council could deliver if it had a rate increase of 3.50% for 2016/17 (inclusive of a 1.00% rate cap variation) in addition to a likely rate increase of 3.50% for a further 3 years. This option is also based on other fees and charges increasing under a "user-pays" model to be cost reflective including indirect costs.

Options B and C were based on four years of rate cap variations. However, due to the "Fair Go Rates" legislation being in the first year of its operation, Council was only allowed to apply for a one year variation. For 2017/18, the new Council elected not to apply for a further 3 years of rate cap variations.

In recognition of the significant operational, infrastructure and transformational challenges that Moorabool Shire will increasingly face in the medium to long term, it is recommended that Council authorise the CEO to write to the ESC to indicate Council's intent to apply for a Rate Cap Variation. This does not compel the Council into a specific course of action but enables Council to assess its full range of options are part of the 2018/19 budgeting and planning cycle.

Current Strategic Financial Plan

The below table provides a high-level snapshot of Council's current 10 year financial plan assuming rate increases in-line with the Minister's cap at a rate of around 2.25%-2.5% per annum.

Table 1.1 High level summary of current Strategic Financial Plan

Minister's Rate Ca				
10 Year Projected Rate & Charges Revenue	\$408.1M			
Council's Financial Stability	Gradual improvement with a 3.9% underlying surplus predicted by 2027/28 – however this is still short of the internal target of 5%			
Debt and loan borrowing capacity	Will remain high in the short to medium term. Very limited scope to expand the current borrowing program			
Services	Very limited scope to increase service levels/accommodate growth.			
Capital Program				
Major Projects	\$27.8M over 10 years			
New & Upgrade Projects	\$4M over 10 years			
Asset Renewal Program	\$127.3M over 10 years			

Over recent years, Moorabool Shire has improved its overall financial health and stability. For the 2018/19 year this is forecast to improve yet again. A combination of previously unbudgeted income from windfarms and stringent cost controls has further strengthened an improving financial position.

One of the key measures of a Council's financial health is its capacity to generate an improvement in its underlying surplus. Table 1.2 shows the projected movement in council underlying surplus for the next 10 years based on Councils current and projected performance in its strategic financial plan (and assuming Council does not apply for a rate cap variation),

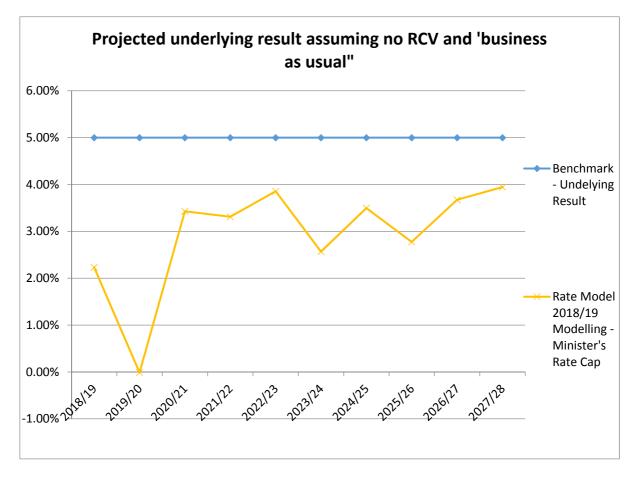


Table 1.2 Projected underlying result assuming no rate cap variation

On face value, the overall trend may indicate a reduced need for rate cap variations due to Councils improving financial position.

Most importantly however, if Council elects to not apply for a rate cap variation, its continued financial strength is primarily underpinned by a "business as usual" approach. As shown in Table 1.1 above, the current strategic financial plan allows very limited scope to increase or expand service levels or infrastructure investment beyond what is currently included within the plan without having a negative impact on Council financial stability.

As a result, due consideration should be given to the significant operational, infrastructure and transformational challenges that Moorabool Shire will increasingly face if it elects to stay with the Ministers rate cap.

If it so chooses, Council still may elect to apply for a rate cap variation for one or a combination of the following reasons;

- To increase investment in service provision.
- To increase investment in Asset Renewal
- To increase investment in New and Upgrade or Major Projects
- To increase investment in Major Projects

Service Provision

Results of the 2017 State-wide Local Government Community Satisfaction Survey indicate that Council is not meeting the needs and expectations of the Community. Moorabool Shire Council received an overall performance index score of 54 which is significantly lower (at the 95% confidence interval) than the average rating for councils State-wide, but is in line with the average for councils in Large Rural areas (index scores of 59 and 54 respectively). This was consistent with the result achieved by Council in 2016, defying the downward trend in overall performance seen from 2015 to 2016, and is a positive step towards moving closer to the high seen in 2013 (index score of 58).

The Top three areas for improvement identified by the survey were: Local Street & Footpaths, Recreational Facilities and Elderly Support Services

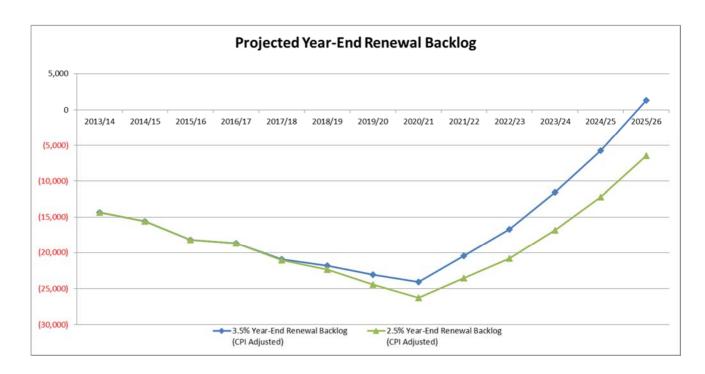
As the current SFP assumes only a continuation of current services, Council might consider a rate cap variation to provide scope to increase its investment in services and critical infrastructure to address the ongoing concerns as highlighted by the survey. More so, with expected growth in the Shire, a continuation of Business as Usual activities may lead to a worsening of Community Satisfaction.

Additional Investment Asset Renewal

The 2017 Community Satisfaction Survey indicated that Local Streets and Footpaths was Council's top area for improvement. Further, Moorabool's most recent Asset Management Plans and current modelling indicate that Council has a backlog of assets which are overdue for renewal.

Modelling for the 2016/17 Rate Cap demonstrated that the increased funding for Asset Renewal required to remedy Council's Asset Backlog issues; could only be afforded if Council had 4 years of rate cap variations at 1% above the cap.

The below graph highlights the impact that the 4 years of 1% rate cap variation will have on the Asset backlog. This graph was previously reviewed by the ESC in approving our rate cap variation for 2016/17.



In summary, the above graph demonstrates that under the Ministers rate cap, current data suggests Council will not address the asset renewal backlog in any meaningful way. Under a 3.5% rate increase (inclusive of a 1% rate cap variation), Council will eliminate the asset backlog in 2025/26.

It is important to note that Council is currently updating the Asset Management plan for the Transport Asset category. The will culminate in a revised Asset Management Plan in the current financial year. At this stage it is anticipated that Council will have a greater understanding of the results in January 2017.

The outcome of the revised Asset Management plan is underpinned by comprehensive condition audits and will reflect the continued maturity in Councils Asset Management systems. The updated plan will inform the extent of the current renewal backlog and future renewal demand which will feed directly into Councils Strategic Financial Plan.

The end result could indicate an improvement or decline in the overall health of Moorabool Assets. For this reason, it may be prudent for Council to leave its rate cap options open.

Additional investment in New & Upgrade projects

New & upgrade funding is used to deliver projects that go above and beyond the repair or restoration of assets to their original capability. Council has a well-established New & Upgrade program that is derived from a number of sources. In deriving this program, Officers review all known strategic documentation including Master Plans, Strategic Studies, Audits/Legislation, Council Officer Recommendations, Councillor Requests, Customer/Community Requests and Community Consultation and have developed a comprehensive project list.

For 2016/17, Council successfully argued that it needed to expand the New & Upgrade program. Under a 4 year rate cap exemption, the New & Upgrade Program would increase from \$4.0M to \$8.0M over 10 years or \$400k per annum.

It is currently noted that there is in excess of \$40M of projects on the New & Upgrade project list. It is a program which in large part reflects the growth and diversity in the Shire and in turn the challenges of managing community expectations in a resource constrained environment.

A further rate cap variation provides scope for Council to increase its investment in the new and upgrade program to meet community needs and expectations.

Additional investment in Major projects

The Current SFP provides for the following Major Projects over the next 10 years.

	Current SFP -		
Major Projects No Variations		tions	Timing
Property and Rating system	\$	1,500	2019/20 to 2020/21
New Indoor Sports Facilities for Shire	\$	7,500	2019/20 to 2021/22 and 2024/25 to 2025/26
Small Towns Sewerage funding options	\$	1,000	2023/24 to 2024/25
Bacchus Marsh Racecourse Recreation Reserve Upgrade	\$	8,400	2018/19 to 2022/23
Ballan Depot	\$	3,500	2018/19 to 2019/20
Parwan Employment Precinct	\$	1,000	2019/20 to 2020/21
West Maddingley Family Services Hub	\$	4,900	2020/21 to 2022/23
	\$	27,800	

To bring forward or increase the scope of these projects, or to accommodate new projects Council may elect to apply for a rate cap variation.

2018/19 Rate Cap Proposal

Officers have modelled the impact of a 3.5% rate increase for the next three years The below table provides a high-level snapshot of Council's current 10 year financial plan assuming rate increases in-line with the Minister's cap compared to outcomes under a 3.5% increase for three years.

Minister's Rate Cap		3.5% for three Years			
10 Year Projected Rate & Charges Revenue					
Council's Financial Stability	Gradual improvement with a 3.9% underlying surplus predicted by 2027/28 – however this is still short of the internal target of 5%	Gradual improvement with a 4.9% underlying surplus predicted by 2027/28 which is in line with the internal target of 5%			
Debt and loan borrowing capacity	Will remain high in the short to medium term. Very limited scope to expand the current borrowing program	Will remain high in the short to medium term. Allows reasonable scope to expand the current borrowing program whilst remaining financially viable			
Services	No scope to increase service levels/accommodate growth.				
Capital Program					
Major Projects	\$27.8M over 10 years	\$30.8M over 10 years			
New & Upgrade Projects	Upgrade Projects \$4M over 10 years \$11M over				
Asset Renewal Program	\$127.3M over 10 years	\$132.3M over 10 years			
Total increase in Capital program	\$0M	\$15.0M			

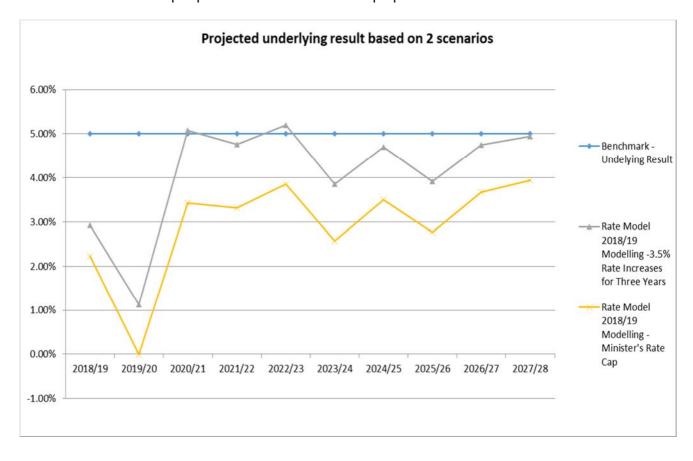
As per the above, with rate increases of 3.5% for the next three years Council will generate an additional 10.5M in Rates over the next ten years. The above table demonstrates that in the event that Council did elect to apply for a rate cap variation, the overall increase in funds for the capital program would be potentially in the order of \$15.0M. The additional capital program would be funded by a combination of rates and additional loan borrowings. Importantly, the additional revenue provided by a rate cap variation allows council to expand its debt and loan borrowing capacity without harming it financial stability.

The table above provides an illustrative example of how Council could potentially allocate the additional proceeds from a rate cap variation across the Capital program. In this example, it could allocate an additional \$3.0M to Major projects, and additional \$7.0M to the New & Upgrade program and a further \$5.0M to the Asset renewal program.

Whilst the allocation of the additional funding to a degree would be subject to the current assessment of the Asset renewal backlog and the projected future asset renewal demand, there would likely be a greater level of decision making flexibility in the allocation of funding for Capital Works if the Council decided to apply for a rate cap variation.

Ultimately, Council can choose to allocate any additional revenue in the manner it feels will deliver the best community outcomes.

The following graph illustrates Council's projected underlying results under the "no rate cap" option and the "3.5% rate cap option"



As shown in the table above, if council chooses to apply for a rate cap variation of 3.5% for a further 3 year period, it has the opportunity to significantly increase its investment in the Capital program whilst improving its overall financial health and stability. If it chooses to not apply for a rate cap variation, it will struggle to generate surpluses above the industry benchmark for sustainability of 5.0%. It will also be restricted in its capacity to expand capital investment and service provision.

What will this mean to the "average" ratepayer?

The below table demonstrates the impact of rate increase at the ministers cap versus a 3.5% increase on the average residential rate per residential property assessment.

	2016/17	2017/18	2018/19	2019/20	2020/21
Rate Cap		2.00%	2.25%	2.50%	2.50%
Moorabool Potential Rate Cap Variation		2.00%	3.50%	3.50%	3.50%
Moorabool Shire - With Rate Cap	\$1,513	\$1,543	\$1,578	\$1,617	\$1,658
Moorabool Shire - With Increase Above the Rate Cap	\$1,513	\$1,543	\$1,597	\$1,653	\$1,711
Similar to Moorabool Shire Council Average	\$1,640	\$1,672	\$1,710	\$1,753	\$1,797
All Council Average	\$1,572	\$1,603	\$1,639	\$1,680	\$1,722

As per the table above, even with rate increases of 3.5% for the next 3 years Moorabool's average residential rate per residential property assessment are anticipated to be below both the State average rates and the average rates for large rural shires.

Overall the difference between a 2.25% and 3.5% rate increase in year 2018/19 for the average resident will be \$19 per year or \$0.36 per week.

Community Engagement

If Council elects to apply for a Rate Cap Variation, depending on the level of consistency between with the 2016/17 rate cap application the 2018/19 application, additional community consultation may not be required. If Council elects to apply for a rate cap variation, a detailed Community Engagement plan will be provided to Council and will be based on discussion with the ESC.

Proposal

That Council authorise the CEO to write to the ESC to indicate Council's intent to apply for a Rate Cap Variation.

Policy Implications

The 2017 - 2021 Council Plan provides as follows:

Strategic Objective 1: Providing Good Governance and Leadership

Context 1C: Our Business and Systems

Action 4: Financial Sustainability

The proposal is consistent with the 2017-2021 Council Plan.

Financial Implications

Depending on whether Council elects to apply for a rate cap variation for the 2018/19 year and beyond, there will a significant disparity in the level of funds it will have at its disposal to invest for the benefit of the community. If Council elects to apply for a 3.5% increase for the next 3 years, will result in an additional \$15.0M in funds for the capital program. The rate cap variation will also facilitate an improvement in Councils financial sustainability. This will allow it to better meet the challenges of service provision and future population growth and the transformation challenges Moorabool Shire will see over the next medium to long term.

Risk & Occupational Health & Safety Issues

Based on Council rates being capped at 2.25% in 2018/19 (subject to confirmation) and projected CPI for future years, Council will likely experience some form of financial distress in the medium to long term. If a rate cap variation is not approved, Council will need to re-assess its options following community engagement in achieving a balanced budget in to the future.

Risk Identifier	Detail of Risk	Risk Rating	Control/s
Financial – Rates Capped at CPI.	Increase risk of Council experiencing some form of financial distress in the medium to long term.	High	Seek a rate cap variation. Cost control. Service reviews.
			Fees & Charges increases. Shared services. Planning tools.

Communications and Consultation Strategy

It is proposed that the community engagement requirements be discussed with the ESC once Council determine how additional funding received through a rate cap variation is to be allocated in the 10 year plan. If the allocation is substantially the same as the 2016/17 Rate Cap Application, no additional community consultation is anticipated to be required.

Victorian Charter of Human Rights and Responsibilities Act 2006

In developing this report to Council, the officer considered whether the subject matter raised any human rights issues. In particular, whether the scope of any human right established by the Victorian Charter of Human Rights and Responsibilities is in any way limited, restricted or interfered with by the recommendations contained in the report. It is considered that the subject matter does not raise any human rights issues.

Officer's Declaration of Conflict of Interests

Under section 80C of the Local Government Act 1989 (as amended), officers providing advice to Council must disclose any interests, including the type of interest.

General Manager – Phil Jeffrey

In providing this advice to Council as the General Manager, I have no interests to disclose in this report.

Author - Steve Ivelja

In providing this advice to Council as the Author, I have no interests to disclose in this report.

Conclusion

Council currently awaits the ministerial announcement of the rate cap for 2018/19. It is currently anticipated that the rate cap will be set at about 2.25%.

Working within the confines of the cap will present ongoing challenges for the way Council continues its business of delivering high quality services to its residents.

In light of the service provision and Infrastructure challenges Moorabool Shire faces, it is considered prudent for the Council to leave its options regarding a further rate increase open by notifying the ESC of its intention to apply for a rate cap variation.

Council may elect to apply for a rate cap variation for one or a combination of the following reasons;

- To increase investment in service provision.
- To increase investment in Asset Renewal
- To increase investment in New and Upgrade or Major Projects
- To increase investment in Major Projects

Officers will return with a specific proposal on rate cap options at a future meeting of Council.

Recommendation:

That Council authorise the CEO to advise the ESC that Moorabool Shire Council intends to apply for a rate cap variation for the 2018/19 financial year.

Report Authorisation

Authorised by:

Name: Phil Jeffrey

Title: General Manager Infrastructure **Date:** Wednesday, 13 December 2017

8.5 Bacchus Marsh Aerodrome Future Management Arrangements

This report has been withdrawn from the Agenda. It will be presented to a future meeting of the Council.

9. FURTHER BUSINESS AS ADMITTED BY UNANIMOUS RESOLUTION OF COUNCIL

10. CLOSED SESSION OF THE MEETING TO THE PUBLIC

10.1 Confidential Report

Recommendation:

That pursuant to the provisions of the Local Government Act 1989, the meeting now be closed to members of the public to enable the meeting to discuss matters, which the Council may, pursuant to the provisions of Section 89(2) of the Local Government Act 1989 (the Act) resolve to be considered in Closed Session, being a matter contemplated by Section 89(2) of the Act, as follows:

- (a) personnel matters;
- (b) the personal hardship of any resident or ratepayer;
- (c) industrial matters;
- (d) contractual matters;
- (e) proposed developments;
- (f) legal advice;
- (g) matters affecting the security of Council property:
- (h) any other matter which the Council or special committee considers would prejudice the Council or any person;
- (i) a resolution to close the meeting to members of the public

11. MEETING CLOSURE