



BUSINESS PAPER

ORDINARY MEETING OF COUNCIL

To be held on

Wednesday, 22 July 2020
4pm

at

Armidale Council Chamber

Members

Vivian May - Interim Administrator

AGENDA

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19.1 FOR DECISION: Employee Matters

As this report deals with personnel matters concerning particular individuals (Section 10A(2)(a) of the Local Government Act 1993). Council closes the meeting, in accordance with Council's Code of Meeting Practice, as consideration of this matter in open Council would be contrary to the public interest.

20 Close of Ordinary Meeting

Item: 9.1 **Ref:** AINT/2020/21628
Title: FOR DECISION: Resignation of Councillors **Container:** ARC16/0001-5
Author: Scott Waterson, Principal Advisor Governance & Risk
Attachments: 1. Ordinary Local Government Elections

RECOMMENDATION:

That Council:

- a) Acknowledge the resignation of Councillors Gray, Martin, and Widders, and Mayor Murray, and move a vote of thanks for their service;**
- b) Dispense with a by-election to replace the vacancies caused by the resignation of Councillors Gray, Martin and Murray in accordance with s294 of the Local Government Act.**

Context

Resignation of Councillor Gray

On 2 June 2020, Councillor Diane Gray resigned her position as Councillor of Armidale Regional Council. Councillor Gray was elected in September 2017, and since that time has served on Council's Audit, Risk and Improvement Committee, Environmental Sustainability Advisory Committee, Regional Growth and Place Activation Committee, and Hydrotherapy Pool Committees and worked to serve the community. Council acknowledges the contribution of Cr Gray and thanks her for her efforts.

Resignation of Councillor Martin

On 6 July 2020, Councillor Libby Martin resigned her position as Councillor of Armidale Regional Council effective immediately. Councillor Martin was elected in September 2017, and since that time has served on Council's Traffic Committee, Mall Consultation and Regional Growth Committees, and represented Council on the New England Weeds Authority. Most recently Cr Martin was Deputy Mayor. Council acknowledges the contribution of Cr Martin and thanks her for her efforts.

Resignation of Councillor Widders

On 8 July 2020, Councillor Brad Widders resigned his position as Councillor of Armidale Regional Council effective immediately. Councillor Widders was elected in September 2017, and since that time has served on Council's Regional Youth Advisory Committee, and Armidale Regional Sports Council. Council acknowledges the contribution of Cr Widders and thanks him for his efforts.

Resignation of Mayor Murray

On 7 July 2020, Mayor Dr Simon Murray tendered his resigned effective immediately as Mayor and Councillor of Armidale Regional Council. Councillor Murray was elected to Council and Mayor in September 2017. As Mayor, Dr Murray attended and involved himself with a number of Advisory Committees. Council acknowledges the contribution of Dr Murray and thanks him for his contribution to the community.

By-election

The Councillors' resignation will create four casual vacancies on Council. Casual vacancies caused by the retirement of a Councillor are generally filled by having a by-election (s292 Local

Government Act 1993, “the Act”) within 3 months of the creation of the vacancy. The Act (s294) provides for Council to dispense with the by-election if the vacancy occurs within 18 months of the next scheduled election.

Purpose

The purpose of this recommendation is to avoid the cost and potential health implications to the community of holding a by-election, particularly given the suspension of Council and appointment of Interim Administrator May.

Proposal, Research and Analysis

The Minister for Local Government has published orders in the Gazette under section 318B of the Act postponing the scheduled 2020 ordinary local government elections in response to the COVID-19 pandemic, with the next local government elections now to be held on 4 September 2021.

OLG circular 20-25 of 29 June 2020 outlines the impact of these orders on Council. In this case, Council is not required to hold by-election(s) to fill vacancies or to apply to the Minister to dispense with the requirement to hold a by-election during the period specified in the orders.

Impact

Avoiding the costs associated with holding a by-election will positively impact Councils finances. The community will not be adversely affected by the casual vacancy as the Councillors’ role is being filled by the interim Administrator.

Should currently suspended Councillors be reinstated then there will be seven (7) Councillors able to ensure the functionality of Council and a quorum.

Uncertainty around large public gatherings and the potential health impacts to the community should also be considered.

Summary

The recommendation if adopted will have no negative and considerable positive benefits for the community.

Item: 9.2 **Ref:** AINT/2020/22142

Title: FOR DECISION: Mayor and Councillor Remuneration 2020/21

Container: ARC16/0001-5

Author: Scott Waterson, Principal Advisor Governance & Risk

Attachments: 1. Local Government Remuneration Tribunal Annual Report and Determination 2020

RECOMMENDATION:

That council:

- a) **Fix the 2020/21 fee payable to Councillors at \$24,320;**
- b) **Fix the 2020/21 fee payable to the Mayor at \$60,080; and**
- c) **Note that the annual fee fixed and payable to the Mayor is in addition to the fee paid to the Mayor as a Councillor.**

Context

The Local Government Remuneration Tribunal (the Tribunal) on 10 June 2020 made a determination pursuant to s.241 of the Local Government Act 1993 ("Act"), of the annual fees to be paid to Councillors and Mayors effective on and from 1 July 2020.

While there was no increase in fees payable, the Tribunal undertook a review of classification of Councils. This review took into account factors contained in s240(1) of the Act including the size, population, terrain, diversity of communities, and the nature and volume of business dealt with by Council, and re-determined Armidale Regional Council to be a Regional Centre.

Annual fees payable to Councillors for Regional Centre category Councils range from \$13,820 to a maximum of \$24,320, and an additional annual Mayoral fee of between \$28,750 to a maximum of \$60,080 per annum. Council has historically fixed the maximum fee levels.

A council may pay the deputy mayor (if there is one) a fee determined by the council for such time as the deputy mayor acts in the office of the mayor. The amount of the fee so paid must be deducted from the mayor's annual fee.

There is no proposal to pay a fee to the deputy mayor.

Purpose

Sections 248 and 249 of the Act require councils to fix and pay an annual fee based on the Tribunal's determination for the 2020/21 financial year.

Proposal, Research and Analysis

The Office of Local Government Circular 2-23 of 22 June 2020 and Local Government Remuneration Tribunal Annual Report and determination are annexed to this report.

Impact

The recommendation will impact financially, representing an increase in payments to Councillors of 20% and to the Mayoral allowance of 36%. The total annual increase payable will be \$60,270 after implementation of these fees.

The following table provides a breakup of 2019/20 fees paid and what is recommended to be paid in 2020/21.

	2019/20	2020/21	Increase	% Increase
Councillor Fee	\$20,280	\$24,320	\$4,040	20%
Additional Mayoral Fee	\$44,250	\$60,080	\$15,830	36%
Annual Fees (11 Elected Members)	\$267,330	\$327,600	\$60,270	23%

The draft 2020/21 budget is currently \$272,500 so would need to increase by \$55,100 to cover the proposed fees.

Summary

Sections 248 and 249 of the Act require councils to fix and pay an annual fee based on the Tribunal's determination for the 2020/21 financial year.

Item:	11.1	Ref: AINT/2020/22043
Title:	FOR DECISION: Planning Proposal to amend Armidale Dumaresq Local Environmental Plan 2012 for 345 and 347 Dangarsleigh Road, Armidale Container: ARC20/4184	
Author:	Jocelyn Ullman, Principal Advisor Strategic Natural Resources and Land Use Planning	
Attachments:	1. Independent Planning and Heritage Matters Review - Palmerston 2. Planning Proposal_345-347 Dangarsleigh Road Armidale	

RECOMMENDATION:

- a) Council determines that the Planning Proposal for 345-347 Dangarsleigh Road, Armidale to amend the Armidale Dumaresq Local Environmental Plan 2012, should not proceed to Gateway determination as it does not demonstrate sufficient strategic or site specific merit.
- b) That the proponent be advised of Council's resolution.

Context

Proposal Details	
Application lodged	10 January 2020
Applicant / Proponent	Andrew O'Brien – Development Services
Owner	Petersons Winery and Guesthouse, Colin and Judy Peterson
Description of Land	345-347 Dangarsleigh Road, Armidale which is located approximately 9km to the south of Armidale town centre.
Property Description	10 lots of land at a total area of approximately 210 hectares Lot 2 DP569410 Lot 1, 192, 494, 554, 555 & 767 DP66672; and Lot 41 - 43 DP755808
Existing Zoning	RU4 - Primary Production Small Lots Lot 41, 42 and 43 DP755808 have a minimum lot size of 40 hectares while the remainder of the subject site has a minimum lot size of 200 hectares.
Proposal Request Summary	Three (3) options have been presented in the Planning Proposal with no clear indication by the Applicant which is preferred. The proposal envisages subdivision of the site to establish an additional eight (8) freehold lots and one (1) community title lot (the entry road/laneway). The proposal identifies two (2) potential areas on the subject site for the proposed subdivision – namely 'Option A' and 'Option B'.
Heritage	The subject site is Listed in Schedule 5 – Environmental Heritage I066 – Local Significance: House "Palmerston", including outbuildings and grounds

Council has received a Planning Proposal for 345-347 Dangarsleigh Road, Armidale (commonly known as Palmerston) to amend the Armidale Dumaresq Local Environmental Plan (LEP) 2012.

The submission of the Planning Proposal for the subject site intends to amend the Armidale Dumaresq LEP 2012 to:

- Option 1: Rezone the subject land from RU4 - Primary Production Small Lots to R5 Large Lot Residential, amend the Lot Size Map, to allow eight, 2 hectare lots, each with a dwelling entitlement, or
- Option 2: Include the subject site in Schedule 1 Additional Permitted Uses to allow eight, 2 hectare lots, each with a dwelling entitlement, or
- Option 3: Retain the existing RU4 Primary Production Small Lots zone and amend the Lot Size map to a 2 hectare minimum lot size

This report recommends that the Planning Proposal not proceed to Gateway determination as it does not have strategic or site-specific merit.

Purpose

This report considers a Planning Proposal that has been assessed against the requirements of the Environmental Planning and Assessment Act 1979 (EP&A Act) and the Department of Planning, Environment and Industry *Guide to Preparing Planning Proposals (2018)* for determination if it should proceed to referral to the Department of Planning for Gateway determination.

A detailed assessment was undertaken of the Planning Proposal which included independent reviews of both planning matters and heritage impacts of the proposal with both recommending that the proposal should not proceed.

Proposal, Research and Analysis

The subject site has a long and complicated history in relation to previous development applications and local heritage significance. The main issues considered are summarised below:

Development Application history

The subject site has had a previous development application (No 96/10) for the subdivision of 63 lots for rural residential purposes which was refused by Dumaresq Shire Council by notice dated 16 January 1997. An appeal to the decision was filed on 28 August 1996. The development application was modified and amended to 60 rural residential lots prior to the appeal submission. The Land and Environment Court dismissed the appeal on October 1997.

Independent Assessment

A detailed assessment was undertaken of the Planning Proposal which included independent reviews of both planning matters and heritage impacts of the proposal.

Planning matters

The independent planning assessment undertaken by Locale Consulting concluded the following.

'This report concludes that the Planning Proposal does not have strategic or site-specific merit and should not proceed as the proposal (among other more minor matters):

- does not give effect to New England North West Regional Plan 2036, Action 1.3, 3.2, 3.3 and 21.1;
- is inconsistent with Section 9.1 Directions 1.2 Rural Zones, 1.5 Rural Land, 2.3 Heritage Conservation and 5.10 Implementation of Regional Plans;
- makes references or comments on Council in ways that are not appropriate as per the statutory requirements of the EP&A Act as Council is the Planning Proposal Authority;

- SEPP (Primary Production and Rural Development) 2019 has not been addressed;
- is inconsistent with Council's growth management strategy 'New England Development Strategy' (Worley Parsons, 2010);
- completion of a preliminary contaminated land report under SEPP (Primary Production and Rural Development) 2019 has not been completed;
- does not adequately demonstrate the site has no agricultural potential, being categorised as Biophysical Strategic Agricultural Land (BSAL), as well as having high Agricultural Capability (classes 2 and 3) under its existing zoning or that land use conflict would not arise as a result of the proposal;
- does not adequately demonstrate potential impacts on Aboriginal heritage or ecological matters;
- does not adequately demonstrate that the traffic, services and infrastructure that are, or will be, available to meet the demands arising from the proposal;
- is silent in terms of existing uses on the site including specific agricultural uses – for instance grazing still occurs on the site and the extent of the vineyard. The tourism uses of the site are also not clear – for instance the site has previously held "Day on the Green" concerts, using a large area of cleared grassland to the north of the homestead as well as for weddings. The impact of these types of events on new residents and potential noise and traffic impacts are not clearly articulated in the proposal;
- does not provide a clear pathway in terms of zoning or policy outcomes and changes to the Armidale Dumaresq LEP 2012.

Heritage matters

As identified above, the subject site is listed as an item of local heritage significance. The property is associated with prominent 19th Century surveyor Henry Dangar and his descendants, along with prominent 19th Century politician (and Dangar's former manager) Sir Arthur Hunter Palmer, who owned the Palmerston property between 1857 and 1861.

The Planning Proposal includes a heritage impact statement, entitled '*Statement of Heritage Impact & Archaeological Assessment*' (Eureka Heritage August 2019 and Addendum of December 2019). This report stated, '*the proposed subdivision would result in some impact to the heritage values However, this impact is considered reasonable in the context of proposed rezoning and subdivision. Any perceived negative impact upon assessed heritage values may be adequately mitigated.*'

An independent review of the heritage values by Studio Two Architecture & Design, concluded '*the existing minimum Lot size (200 Ha) established in the Armidale Regional Council Local Environmental Plan, must be preserved*' and '*existing agricultural usage of the entire landscape of the Palmerston Property, and especially the area within the hawthorn hedge, must be preserved*'.

The review essentially concluded that there would be impact to the heritage aspect to the site for both locations 'Option A' and 'Option B'. The Planning Proposal therefore does not provide sufficient assurances that the proposal would not enable development that may result in adverse impacts on the heritage item.

With respect to Aboriginal archaeological, a Scar Tree was previously identified on the property during the original development application. Its location has not been identified and no further assessment been undertaken as part of the Planning Proposal.

Impact

It is considered that the Planning Proposal does not demonstrate sufficient strategic or site specific merit and that the progression of the Planning Proposal to the Department of Planning, Industry and Environment for Gateway determination would have a negative impact on the subject site as outlined in this report.

The applicant may ask for a rezoning review if a council has notified them that it does not support their plans. A rezoning review will be carried out independently by the Northern Regional Planning Panel.

There are no known financial implications to Council if Council does not to proceed with the Planning Proposal.

Summary

It is recommended that this Planning Proposal does not proceed to the Department of Planning, Industry and Environment for a Gateway determination, taking into consideration that the independent assessments, on planning and heritage matters, determined that it does not demonstrate sufficient strategic or site specific merit.

Item: 11.2 **Ref:** AINT/2020/22294
Title: FOR DECISION: Tender for Road Resurfacing Contract
Container: ARC16/0891
Author: Sharn Woolnough, Project Officer
Attachments:
1. Tender Evaluation Report
2. Evaluation Matrix - Armidale
3. Evaluation Matrix - Guyra

RECOMMENDATION:

That the Contractors and Order of Preference be adopted per the Tender Evaluation Report for Road Resurfacing Contract REGPRO162021.

Context

Armidale Regional Council (ARC) joined a panel of Councils to advertise for Sealing, Resealing (RMS specification), Resealing (NATSPC), Aggregates (RMS Specifications), Aggregates (NATSPEC), Asphalt and Cold milling works through Regional Procurement.

The Tender documents were evaluated and approved for use on 7 May 2020, Tender evaluation plan confirmed 8 May 2020 and Tenders received 3 June 2020. Sample projects were developed by Sharn Woolnough and Ned Mozzell in order to provide a benchmark for evaluation by LG Procurement.

The evaluated Tenders completed by LG Procurement are shown in the attached evaluation matrix and details and recommendations outlined in the Tender Evaluation Report.

Ned Mozzell and Sharn Woolnough have adopted all Contractors in order to maintain a panel available for selection. Contractors will be engaged in order of rank for all works in the ARC LGA.

Purpose

Accepting this submission will allow annual sealing programs and other bitumen works/projects to be completed with best value for money, probity and efficiency.

Proposal, Research and Analysis

Prior Regional procurement has been utilised for bitumen surfacing contracts for a number of years. The criteria utilised for evaluation were checked to ensure they align with values of council and type of works undertaken by ARC. All contractors and suppliers are well known and a significant proportion have been utilised previously with great success.

Impact

Failure to adopt this panel of contractors and suppliers would result in extensive procurement for individual projects adding months to project development and additional costs in labour and advertisement for each tender or quotation.

Summary

It is recommended that Council adopt the proposed list and ranking of the contractors for the categories outlined. This will provide improved efficiency with regards to contractor engagement and good value-for-money for capital works.

Item: 11.3 **Ref:** AINT/2020/23597
Title: FOR DECISION: Interim Hardship Policy Coronavirus (COVID-19)
Container: ARC19/3335
Author: Kelly Stidworthy, Manager Financial Services
Attachments: 1. Interim Hardship Policy - Coronavirus (COVID-19)

RECOMMENDATION:

That Council endorse the amendments to the Interim Hardship Policy Coronavirus (COVID-19).

Context

At the meeting held 22 April 2020 Council endorsed the Interim Hardship Policy – Coronavirus (COVID-19), which contained provisions in relation to payment deferrals for rates and water charges and lease waivers for community groups. This policy was to remain in place until 30 June 2020 at which time it would be reviewed.

Purpose

The purpose of this report is to recommend amendments to the Interim Hardship Policy – Coronavirus (COVID-19) and for this policy to remain in place until 30 September 2020.

Proposal, Research and Analysis

The sudden impact of COVID-19 shutdown impacts on ratepayers and the economy necessitated a quick response by Council with establishment of the Interim Hardship Policy – Coronavirus (COVID-19).

As part of the response, Section 610E of the Local Government Act 1993 was broadened to allow councils to waive or reduce fees under a new established ‘COVID-19’ category.

Council’s delegations for the Chief Executive Officer also extend to approving debt write offs to a maximum value of \$10,000.

Impact

The interim hardship policy arrangements have been accessed by 25 ratepayers in relation to outstanding debts and payment deferral or payment arrangements have been put in place as per the current policy. In general, rates and water debt levels appear to have remained fairly consistent as prior to COVID-19. For this reason, it is recommended that future hardship provisions take the form of payment arrangements that meet the existing minimum payment arrangement criteria.

The Office of Local Government has also set the maximum interest rate for overdue rates and charges at 0% for the period 1 July 2020 to 31 December 2020 and 7% for the period 1 January 2021 to 30 June 2021.

Summary

This report provides a review and recommendations on amendments to the Interim Hardship Policy that has been developed in response to the immediate impacts of the Coronavirus (COVID-19) crisis.

Item: 12.1 **Ref:** AINT/2020/23586
Title: FOR DECISION: Review of Advisory Committee Terms of Reference
Container: ARC16/0001-5
Author: Scott Waterson, Principal Advisor Governance & Risk
Attachments:
1. Advisory Committee Terms of Reference REVISED TOR (GENERIC)
2. OLG Risk Management and Internal Audit Framework ARIC
3. Audit Risk and Improvement Committee - ARIC - Charter - July 2020

RECOMMENDATION:

That Council:

- a) **Adopt the Model Terms of Reference template as the basis for the Terms of Reference for each of the Environmental Sustainability, Arts, Culture & Heritage, Traffic Advisory, Sports Council, Regional Growth and Place Activation, and Community Wellbeing Advisory Committees, and that the Model Terms of Reference be tailored to meet the specific needs of each Committee;**
- b) **Accept the revised Charter for the Audit, Risk and Improvement Committee incorporating anticipated changes to the Local Government Act around ARIC Committee functions.**
- c) **Call for Expressions of Interest from suitably pre-qualified independent community members who may wish to become Members of the Audit, Risk and Improvement Committee.**

Context

At the June 2020 Ordinary Council Meeting Council resolved to review the Terms of Reference of the Environmental Sustainability, Arts, Culture & Heritage, Traffic Advisory, Sports Council, Regional Growth and Place Activation, and Community Wellbeing Advisory Committees.

Council further resolved to review the Charter of the ARIC Committee in light of proposed legislative changes around the function of ARIC Committees.

Purpose

The purpose of the review and revised Model Terms of Reference is to ensure consistency between Advisory Committees in line with the recommendations of the Reynolds Report, particularly in terms of governance and reporting. The aim is to have functional and valuable Committees operating efficiently to provide clear feedback to Council in line with Council's Community Strategic Plan.

Review of the Audit Risk Improvement Committee (ARIC) Charter is intended to ensure compliance with anticipated legislative changes required to be complied with from September 2021.

Proposal, Research and Analysis

Council engaged Ian Reynolds as an independent consultant to undertake a review of all Council Committees. The Review of Committees (“Reynolds Report”) was completed in March 2019 and made a number of recommendations around the construction of these Committees.

Among others, the Reynolds report included recommendations around Good Governance Principles, relating to Terms of Reference, reporting requirements, adherence to Council’s Code of Meeting Practice (“CoMP”) and Code of Conduct, and Chairmanship.

The revised terms of reference also aim to make Committee membership more streamlined, with fewer members allowing for clear communication and increased efficiency. The amended Terms of reference contemplate that Committees will be able to form working groups or sub-committees as required to focus on particular aspects relevant to the Committee’s remit, where additional community resources and members will be able to have input directly relevant to them.

The revised ARIC Charter reflects the requirements of the new s428A of the Local Government Act. When Part 4A (s428A(2) of the Act commences the Committee will be under a statutory obligation to keep under review the following aspects of the Council’s operations:

- a) compliance,
- b) risk management,
- c) fraud control,
- d) financial management,
- e) governance,
- f) implementation of the strategic plan, delivery program and strategies,
- g) service reviews,
- h) collection of performance measurement data by the Council, and
- i) any other matters prescribed by the regulations.

These changes will see a new level of responsibility and oversight for the ARIC Committee by incorporating ongoing review of governance, compliance and risk management, and performance improvement, as aspects of its function. The Committee makeup is required to reflect these functions. The most significant foreshadowed changes are:

- (i) that it will be necessary for independent Committee members to meet the requirements of NSW Government’s *Prequalification Scheme: Audit and Risk Committee Independent Chairs and Members*; and
- (ii) that Councillors will no longer be eligible to sit on the ARIC Committee; and
- (iii) that the ARIC Committee is to make recommendations to Council to improve Councils service delivery and meet the CSP objectives.

Members of ARIC Committees will be required to be pre-qualified in order to sit. The revised Charter anticipates this. In order for the revised Charter to be formally adopted it will be necessary for current or new independent members to meet the pre-qualification requirements.

It is not anticipated that the new legislative requirements will become operational until after the next election in September 2021. Other Councils have variously chosen to adopt a Charter reflecting anticipated changes, or to wait until the legislative changes become effective. It should be noted that the NSW Government is expected to provide Model Terms of Reference for ARIC Committees upon ratification of the legislation.

Impact

- It is anticipated that the revised Tors will assist the Committees in providing a valuable conduit between Community and Council, and assist in delivery of the Community Strategic Plan.
- The remuneration for ARIC Committee members will have a financial impact as it will significantly increase the fees payable to Committee members over what is currently paid. Fees payable to 5 members meeting four times per annum, plus Chair allowance, will increase to \$22,687.00 per annum. ARIC fees are currently \$300.00 per member per meeting (\$6,000.00 with four meetings).

Summary

The recommendations if adopted will provide clarity and guidance for the Chairs, Members, and community in relation to the function of advisory Committees, and ensure an orderly transition to the new ARIC requirements.

Item: 13.1 **Ref:** AINT/2020/22164
Title: FOR INFORMATION: New England Weeds Authority Minutes
Container: ARC16/0463-2
Author: Scott Waterson, Principal Advisor Governance & Risk
Attachments:

1. New England Weeds Authority February 2020 Minutes
2. New England Weeds Authority April 2020 Minutes

RECOMMENDATION:

That the Minutes of the New England Weeds Authority meetings held 18 February 2020 and 21 April 2020 be noted.

Item: 13.2 **Ref:** AINT/2020/22252
Title: FOR INFORMATION: Cash and Investment Report June 2020
Container: ARC16/0001-5
Author: Deborah Walls, Accountant
Attachments: 1. Curve Securities Investment Reporting Pack June 2020

RECOMMENDATION:

That Council receive and note the Cash and Investment Report for June 2020.

Context

As at 30 June 2020, Council held \$70,806,659 in investments and \$1,498,783 as cash in the Trust Fund. Total of \$72,305,442.

Purpose

The Cash and Investment Report provides an overview of cash and investments for the period 1 June 2020 – 30 June 2020 and certifies compliance with Council’s Investment policy and the Local Government Act 1993 and Regulations.

Proposal, Research and Analysis

Cash and Investments

Balances were as follows:

Item/Account	June 2020	May 2020	Movement
	\$	\$	\$
<u>Cash at Bank</u>			
General Fund Bank Account	-	-	-
Trust Fund	1,498,783	1,500,071	(1,288)
Total Cash	1,498,783	1,500,071	(1,288)
<u>Investments</u>			
High Interest Cash At Call	19,511,430	15,470,186	4,041,244
T-Corp IM Cash Fund	5,295,229	5,292,078	3,151
Term Deposits	46,000,000	52,000,000	(6,000,000)
Total Investments	70,806,659	72,762,264	(1,955,605)
Total Cash & Investments	72,305,442	74,262,335	(1,956,893)

Summary of Investment movements for June2020:

<u>Term Deposit Maturities</u>	
Institution	Amount
Defence Bank	\$1,000,000
Police Financial Services	\$1,000,000
Credit Union Australia	\$1,000,000
NAB	\$2,000,000
NAB	\$1,000,000
Total	\$6,000,000

<u>New Term Deposit</u>	
Institution	Amount
Total	\$0

Investment Revenue Earned

	June 2020
Term Deposits	\$64,515
T-Corp IM Cash Fund	\$3,151
High Interest Account	\$9,234
Trust Account	\$704
Total	<u>\$77,604</u>

As per the attached investment report (refer Attachment 1 section 2), as provided by Council's investment broker Curve Securities, the investments are diversified across a range of institutions, with no one institution exceeding 30% of funds invested to ensure the portfolio is in line with the Investment Policy.

Actual to Budget Comparison

	YTD Actual Income	YTD (Rev) Budget	Difference
Cumulative June 2020	\$1,326,621	\$1,589,971	(\$263,350)
Cumulative May2020	\$1,249,017	\$1,457,473	(\$208,456)
Movement	\$77,604	\$132,498	(\$54,894)

Outcome: Unfavourable Budget Variance of \$54,894 for June 2020 due to lower than budgeted interest rates.

Investment Yield

Term of Investment	June 2020			May 2020		
	ARC	3m BBSW rate	Outperformance	ARC	3m BBSW rate	Outperformance
6 months	1.71%	0.44%	1.27%	1.77%	0.57%	1.20%
12 months	2.02%	0.71%	1.31%	2.11%	0.80%	1.31%

Regulations

All of Council's investments for the period are in accordance with:

- Council Investment Policy
- Local Government Act 1993 – Section 625.
- Local Government Act 1993 – Order of the Minister dated 12 January 2011.
- The Local Government (General) Regulation 2005 – Reg 212.

The investment of surplus funds must remain in line with Council's Investment Policy. This will ensure sufficient working capital is retained and restrictions are supported by Cash. Cash management complies with the NSW Local Government (General) Regulation 2005.

Summary

The Cash and Investment Report provides an overview of cash and investments as at and for the period ended 30 June 2020 and demonstrates compliance with Council policy.

Item: 13.3 **Ref:** AINT/2020/22527
Title: FOR INFORMATION: Quarterly Water Adjustment Report
Container: ARC16/0193-2
Author: Robyn Shanahan, Revenue Officer
Attachments: Nil

RECOMMENDATION:

That Council note the report detailing water adjustments, made under the provisions of the Water Account Adjustment Management Policy, for the January/June 2020 quarters, totalling \$5,233.00.

Context

It is a requirement of Council's Water Account Adjustment Management Policy 238 that quarterly reports detailing adjustments made to water assessments in the quarter under the provisions of Policy are provided to Council for notation.

Adjustments determined under the provisions of the Policy for the third and fourth quarters, January 2020 to June 2020 were:

Assessment	Amount	Reason
30941-9	\$892.10	Leak under concrete slab
23156-3	\$231.00	Leak in water pipe
28566-8	\$1,048.75	Leak in underground pipe
25951-5	\$421.60	Leak under concrete driveway
27347-4	\$518.35	Leak in front yard
27146-0	\$74.05	Leak in front yard
27959-6	\$684.75	Damage to external tap
25679-2	\$1,362.40	Burst pipe
Total	\$5,233.00	

Purpose

This report provides details of the adjustments made to water assessments for the third and fourth quarters of the 2019-2020 financial year.

Impact

Reduction in Council water billing charges of \$5,233.00.

Summary

Adjustments made to water assessments for the third and fourth quarters of the 2019-2020 financial year.

Item: 13.4 **Ref:** AINT/2020/23840
Title: FOR INFORMATION: Level 5 Water Restrictions
Container: ARC16/0193-2
Author: Shane Anderson, Manager Utilities
Attachments: Nil

RECOMMENDATION:

That Council notes Level 5 Water restrictions are in force across the LGA and these restrictions will be reviewed by Council’s Utilities personnel when the Bureau of Meteorology (BOM) summer rainfall outlook is available or dam storage increases significantly.

Background:

The Armidale LGA experienced unprecedented drought conditions during 2018 with expectations the drought conditions would extend into 2019.

In recognition of falling water storage levels and a poor BOM rainfall outlook, ARC introduced water restrictions in Guyra in late February 2019 with water restrictions also being introduced into Armidale in March 2019. Higher levels of water restrictions were progressively introduced as tabulated below with level 5 emergency water restrictions introduced on 24 June 2019 in Guyra and 1 October 2019 in Armidale. ARC is still in level 5 restrictions despite some respite rain in the past months.

Restriction Level	Guyra Dam		Malpas Dam		Remarks
	Date	% Storage	Date	% Storage	
Level 1	27 Feb 2019	63%	13 March 2019	59%	
Level 2	6 March 2019	59%	-		
Level 3	23 April 2019	51%	23 April 2019	55%	
Level 4	20 May 2019	32%	20 May 2019	52%	
Level 5	24 June 2019	25%	1 October 2019	41%	

During 2019, the Armidale LGA water supply dam catchments received the lowest ever recorded rainfall. The BOM’s Guyra Post Office (Station No. 056016) observed 330.8mm of rainfall in 2019, the lowest since instrumental rainfall data recording commenced 130 years ago. In 2019, Malpas dam didn’t receive any inflows from Australia day until the end of the calendar year.

Current storage levels of the main water supply dams are – Malpas Dam 55% and Guyra Dams 100%. Malpas Dam storage levels are rising albeit slowly. This time last year Malpas Dam was at 48% capacity and Guyra Dams were 24% capacity. The BOM forecast for the next three months for the Armidale region is 70% chance of exceeding median rainfall.

Purpose

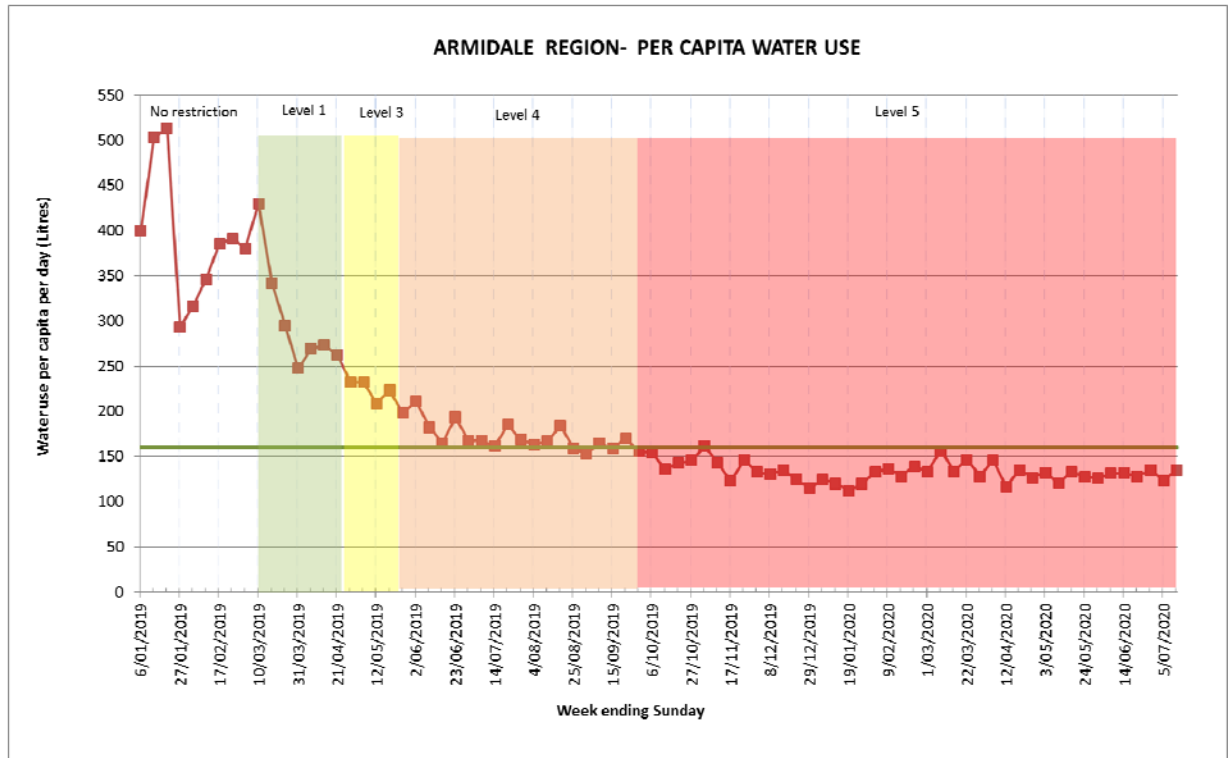
To inform Council of the intention to maintain Level 5 restrictions until conditions change.

Proposal, Research and Analysis

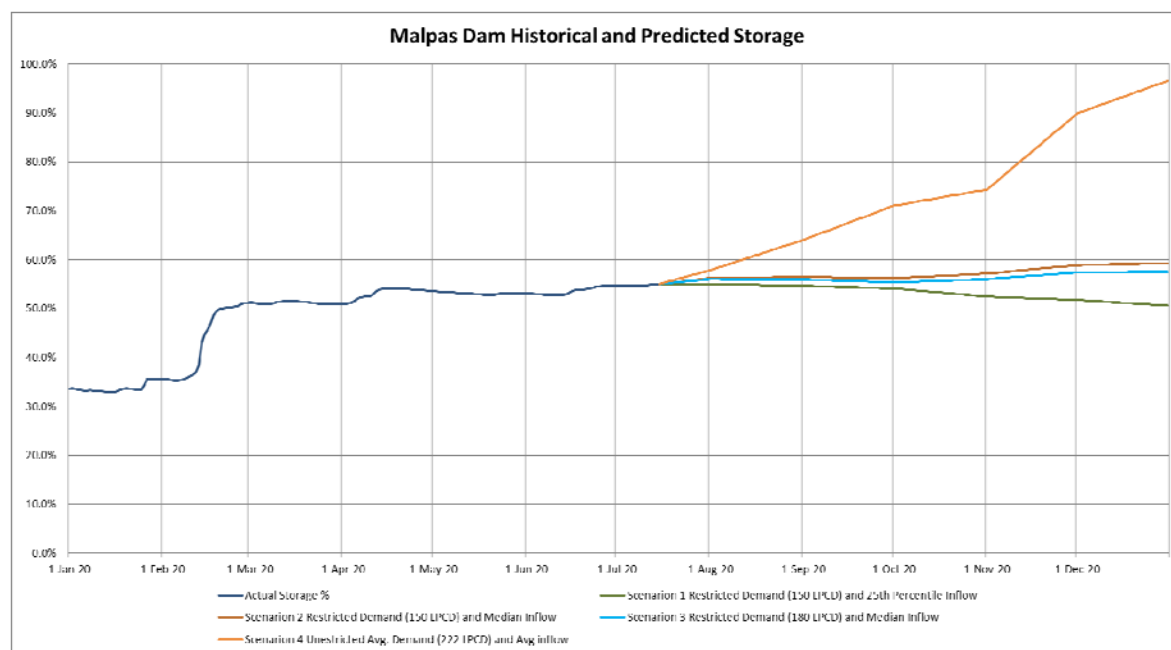
2019 was Australia’s warmest and driest year on record. Council’s water supply dams got to critical levels because of the unprecedented drought. Council took the following short term actions in response to the drought.

- Demand management through education, rebates and imposed restrictions;
- Finding and fixing leaks in ageing infrastructure;
- Water carting from Malpas Dam to Guyra water treatment plant ; and
- Commissioning of Malpas Dam to Guyra water treatment plant.

Because of these projects, water demand was reduced by nearly 40% and water carting to Guyra ceased in less than three months. Residential water consumption has been below the target level of 160 litres per capita per day since the introduction of level 5 restriction as shown in the graph below.



Since January this 2020, dam levels and climate conditions have improved, however Malpas Dam, Council's main water supply dam, has not fully recovered. Malpas dam is currently at 55% which has been observed only twice since it was built in 1968. Council officers are therefore recommending a cautionary approach to easing the level of water restrictions for at least the winter period. This includes continuing the level 5 water restrictions and reviewing the level of restrictions when the summer rainfall outlook is available or if dam storage increases significantly.



Note: The inflows used in the graph to predict storage are based on historical inflows measured at 'Willow Glenn', Gara River, Guyra for the previous 20 years.

Integrated Planning and Reporting Framework

Not Applicable

Financial Implications

Level 5 water restrictions and changed demand patterns by residents and businesses continue to suppress water usage and therefore impact revenue. Council prepared its 20/21 Operational Plan and Budget on the presumption of lower water sales, but the proposed higher water supply charges should ameliorate any impact on ARC's Water Fund. Maintenance of the Water Fund at historical levels will assist Council to maintain and upgrade water infrastructure as required under our Asset Management plans

Council has large infrastructure projects scheduled to commence in the 20/21 financial year and extend into 21/22 that will reduce the current Water Fund including:

- Replacement of the Puddledock raw water trunk line and pump station - Council contribution is \$5.77M.
- Stabilisation of the Dumaresq Dam wall – Council contribution is \$4.05M.
- Finalisation of the Guyra and Armidale supplementary ground water supply – Council contribution is projected to \$500,000.
- Stabilisation of the Malpas Dam to Armidale water treatment plant trunk line – Council contribution is projected to be \$500,000.

Item: 16.1 **Ref:** AINT/2020/23539
Title: FOR INFORMATION: Minutes - Regional Growth and Place Activation
Peak Advisory Committee - 09 July 2020 **Container:** ARC16/0001-5
Author: Melissa Hault, Business Support Officer
Attachments: 1. Minutes - Regional Growth and Place Activation Peak Advisory
Committee - 09 July 2020

RECOMMENDATION:

That the Minutes of the Regional Growth and Place Activation Peak Advisory Committee meeting held on 9 July 2020 be noted.

Item: 16.2 **Ref:** AINT/2020/23805
Title: FOR DECISION: Minutes - Traffic Advisory Committee 7 July 2020
Container: ARC16/0168-5
Author: Belinda Ackling, Personal Assistant
Attachments: 1. Minutes - Traffic Advisory Committee - 07 July 2020

RECOMMENDATION:

- a) **That the Minutes of the Traffic Advisory Committee meeting held via email for the 7th July 2020 be noted and endorsed.**
- b) **That a No Stopping zone be installed on the eastern side of Taylor Street across the entry/exit of Newling Gardens.**
- c) **That a No Parking Zone be installed on the northern side of Beardy Street in front of the West End Service Station for the length of 44m.**
- d) **That a No Stopping Zone be installed on the southern side of Beardy Street in front of the West End Service Station for the length of 40m.**
- e) **That new BB Centreline to extend from the intersection of Beardy and Golgotha Street to Phyllis Crescent.**

Background:

Recommendation b)

No Stopping zone be installed on the eastern side of Taylor Street across the entry/exit of Newling Gardens.

The Management for Newling Gardens contacted Council requesting consideration be given to installing a No Stopping Zone either side of the Taylor Street driveway of Newling Gardens, as the age demographic of the residents, they are less mobile. This recommendation will provide a clear line of sight for residents when exiting the grounds. With signs installed 10m on the northern side of the Newling Garden's driveway and 5m on the southern side of the driveway. Installation cost of No Stopping zone will be \$200 and is within the Traffic facilities budget.

Recommendation c) d) & e)

Proposed No Stopping Zones - West End Service Station

Council received a request to look at measures to help with congestion at West End Service Station, Beardy Street.

An onsite inspection showed vehicles banking along the northern side of the street. On the southern side vehicles tend to pull over in the parking lane and wait for an opportunity to enter the service station. Other vehicles will wait in the middle of the road until they are able to access the driveway and often they are stopped side by side waiting to access the same driveway causing a blockage.

Discussion has taken place with the businesses in the area. As the congestion is also affecting their businesses they are supportive of the treatments as recommended. The total installation cost will be \$700 and is within the Traffic facilities budget.

Item: 16.3 **Ref:** AINT/2020/23831

Title: FOR INFORMATION: Minutes - Audit, Risk and Improvement
Committee **Container:** ARC16/0522-2

Author: Brad Munns, Financial Accountant

Attachments: 1. Audit and Risk Committee - Minutes 5 May 2020

RECOMMENDATION:

That the Minutes of the Audit, Risk and Improvement Committee meeting held on 5 May 2020 be noted.