

# DRAFT

## MINUTES – 24 NOVEMBER 2015



# PORT STEPHENS

## C O U N C I L

Minutes of Ordinary meeting of the Port Stephens Council held in the Council Chambers, Raymond Terrace on – 24 November 2015, commencing at 5.44pm.

**PRESENT:**

Mayor B MacKenzie, Councillors G. Dingle, S. Dover, K. Jordan, P. Kafer, P. Le Mottee, J. Morello, J Nell, S. Tucker, General Manager, Corporate Services Group Manager, Facilities and Services Group Manager, Development Services Group Manager and Governance Manager.

<b>354</b>	<b>Councillor Steve Tucker</b> <b>Councillor Ken Jordan</b>
	It was resolved that the apology from Cr Chris Doohan be received and noted.

**MINUTES ORDINARY COUNCIL - 24 NOVEMBER 2015**

<b>355</b>	<b>Councillor John Morello</b> <b>Councillor John Nell</b>  It was resolved that the Minutes of the Ordinary Meeting of Port Stephens Council Ordinary Council held on 10 November 2015 be confirmed.
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	There were no Declaration of Interest received.
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# MAYORAL MINUTES

**MAYORAL MINUTE**

**ITEM NO. 1**

**FILE NO: PSC2015-01000V2/156  
TRIM REF NO: PSC2015-01247**

**FINANCIAL ASSISTANCE FOR APRIL SUPER STORM**

**THAT COUNCIL:**

- 1) Acknowledges and expresses its appreciation to the Premier of NSW the Hon. Mike Baird, the Treasurer of NSW, the Hon. Gladys Berejiklian, the Minister for Emergency Services the Hon. David Elliott and the Parliamentary Secretary for the Hunter and Central Coasts, Scot MacDonald for the decision to extend the claim period for costs incurred as a result of the April 2015 Super Storm.

**ORDINARY COUNCIL MEETING - 24 NOVEMBER 2015  
MOTION**

<b>356</b>	<b>Mayor Bruce MacKenzie</b>  It was resolved that Council acknowledges and expresses its appreciation to the Premier of NSW the Hon. Mike Baird, the Treasurer of NSW, the Hon. Gladys Berejiklian, the Minister for Emergency Services the Hon. David Elliott and the Parliamentary Secretary for the Hunter and Central Coasts, Scot MacDonald for the decision to extend the claim period for costs incurred as a result of the April 2015 Super Storm.
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**BACKGROUND**

The purpose of this report is to acknowledge the support the State Government has provided to Port Stephens Council and its ratepayers following the April 2015 Super Storm.

Port Stephens Council incurred significant costs that exceeded \$5Million to clean up subsequent to the April 2015 Super Storm event. The current process for claims for financial assistance is limited to 21 days post-event. After ongoing communication from affected Councils and representations by the Parliamentary Secretary for the Hunter and Central Coast, the State Government has agreed to extend this period to 30 June 2015 for Port Stephens Council.

This is a very significant and positive decision that means the ratepayers of Port Stephens Council will be supported with an estimated increase in financial assistance of approximately \$4Million.

# MOTIONS TO CLOSE

**ITEM NO. 1**

**FILE NO: PSC2015-01000V2/070  
TRIM REF NO: PSC2015-00018**

**MOTION TO CLOSE**

REPORT OF: WAYNE WALLIS - GENERAL MANAGER  
GROUP: GENERAL MANAGER'S OFFICE

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**RECOMMENDATION:**

- 1) That pursuant to section 10A(2) (c) and (d)i of the Local Government Act 1993, the Committee and Council resolve to close to the public that part of its meetings to discuss Confidential Item 1 on the Ordinary agenda namely **ACQUISITION OF LAND FOR ROAD WORKS - 5 GRAHAMSTOWN ROAD, FERODALE.**
- 2) That the reasons for closing the meeting to the public to consider this item is that the discussion will include information containing:
  - information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to conduct) business, and
  - commercial information of a confidential nature that would, if disclosed prejudice the commercial position of the person who supplied it.
- 3) That the report remain confidential and the minute be released in accordance with Council's resolution.

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**ORDINARY COUNCIL MEETING - 24 NOVEMBER 2015  
MOTION**

<b>357</b>	<p><b>Councillor John Nell Councillor Geoff Dingle</b></p> <p>It was resolved that Council:</p> <ol style="list-style-type: none"><li>1) That pursuant to section 10A(2) (c) and (d)i of the Local Government Act 1993, the Committee and Council resolve to close to the public that part of its meetings to discuss Confidential Item 0 on the Ordinary agenda namely <b>ACQUISITION OF LAND FOR ROAD WORKS - 5 GRAHAMSTOWN ROAD, FERODALE.</b></li><li>2) That the reasons for closing the meeting to the public to consider this item is that the discussion will include information containing:<ul style="list-style-type: none"><li>• information that would, if disclosed, confer a commercial advantage on a person with whom the Council is conducting (or proposes to</li></ul></li></ol>
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**MINUTES ORDINARY COUNCIL - 24 NOVEMBER 2015**

	<p>conduct) business, and</p> <ul style="list-style-type: none"><li>• commercial information of a confidential nature that would, if disclosed prejudice the commercial position of the person who supplied it.</li></ul> <p>3) That the report remain confidential and the minute be released in accordance with Council's resolution.</p>
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# COUNCIL REPORTS

**ITEM NO. 1**

**FILE NO: PSC2015-01000/969**

**TRIM REF NO: 16-2014-41-2**

**SECTION 96 APPLICATION FOR DEVELOPMENT APPLICATION FOR STORAGE SHED AT NO. 69 FRANCIS AVE LEMON TREE PASSAGE**

REPORT OF: MATTHEW BROWN - DEVELOPMENT ASSESSMENT & COMPLIANCE SECTION MANAGER

GROUP: DEVELOPMENT SERVICES

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**RECOMMENDATION IS THAT COUNCIL:**

- 1) Refuse the Section 96 Application 16-2014-41-2 to amend Development Consent 16-2014-41-1 for a storage shed at No. 69 Francis Avenue, Lemon Tree Passage for the following reasons:
  - a) The development is inconsistent with the objectives of the R2 Low Density Residential Zone of Port Stephens Local Environmental Plan 2013, in regards to design, density, associated land use and is out of character with the immediate landscape and does not maintain an acceptable level of visual amenity.
  - b) The development does not comply with the following clauses of Port Stephens Development Control Plan 2014; Clauses C4.F Setback Objectives, C4.10 Front Setbacks, C4.16 Garage setbacks and C4.31 side boundary setback.
  - c) The building changes to the existing constructed storage shed to reduce its bulk and scale have not been carried out as per the previous resolution of Council from the Ordinary Meeting of 14 October 2014.

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**ORDINARY COUNCIL MEETING - 24 NOVEMBER 2015  
MOTION**

<b>358</b>	<b>Councillor John Nell Councillor John Morello</b>  It was resolved that Council that Council move into Committee of the Whole.
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Councillor Peter Kafer left the meeting at 5.50pm, prior to voting on the item.

**COMMITTEE OF THE WHOLE RECOMMENDATION**

	<b>RECOMMENDATION:</b>  That Council that the recommendation be adopted.
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## MINUTES ORDINARY COUNCIL - 24 NOVEMBER 2015

In accordance with Section 375 (A) of the Local Government Act 1993, a division is required for this item.

Those for the Motion: Mayor Bruce MacKenzie, Crs Sally Dover, Ken Jordan, Paul Le Mottee, John Morello, John Nell and Steve Tucker.

Those against the Motion: Crs Geoff Dingle.

Councillor Peter Kafer returned to the meeting at 5.53pm, following the item being voting on.

### ORDINARY COUNCIL MEETING - 24 NOVEMBER 2015 MOTION

<b>359</b>	<p><b>Councillor John Nell</b> <b>Councillor Ken Jordan</b></p> <p>It was resolved that Council:</p> <ol style="list-style-type: none"><li>1) Refuse the Section 96 Application 16-2014-41-2 to amend Development Consent 16-2014-41-1 for a storage shed at No. 69 Francis Avenue, Lemon Tree Passage for the following reasons:<ol style="list-style-type: none"><li>a) The development is inconsistent with the objectives of the R2 Low Density Residential Zone of Port Stephens Local Environmental Plan 2013, in regards to design, density, associated land use and is out of character with the immediate landscape and does not maintain an acceptable level of visual amenity.</li><li>b) The development does not comply with the following clauses of Port Stephens Development Control Plan 2014; Clauses C4.F Setback Objectives, C4.10 Front Setbacks, C4.16 Garage setbacks and C4.31 side boundary setback.</li><li>c) The building changes to the existing constructed storage shed to reduce its bulk and scale have not been carried out as per the previous resolution of Council from the Ordinary Meeting of 14 October 2014.</li></ol></li></ol>
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In accordance with Section 375 (A) of the Local Government Act 1993, a division is required for this item.

Those for the Motion: Mayor Bruce MacKenzie, Crs Sally Dover, Ken Jordan, Peter Kafer, Paul Le Mottee, John Morello, John Nell and Steve Tucker.

Those against the Motion: Cr Geoff Dingle.

## **BACKGROUND**

The purpose of this report is to present a Section 96 (S96) development application to Council for determination. Council staff elected to report the S96 application to Council given the original application was determined at the Ordinary Council meeting of 14 October 2014.

A site inspection was carried out last year prior to the October 2014 resolution, where a number of interested Councillors inspected the existing and constructed building.

### Previous council resolution

At the 14 October 2014 Ordinary Council meeting, the officer's recommendation for refusal was overturned and consent was granted for the ongoing use of the shed with a deferred commencement condition stating that:

'Council is satisfied that the works to reduce the existing shed by 2m in length from Francis Avenue have been undertaken in accordance with any notice of intention to serve an order or order issued by Council.'

These works have not been carried out to date.

### The changes proposed

Subsequent to issue of the notice of intention to serve an order being issued by Council, the property owner requested more time, after which a section 96 application was then lodged seeking a variation to the reduction of the shed length from 2m to 1.6m (400mm less).

The current S96 application, if approved by Council, would position the shed 3.45m behind the front boundary and decrease the shed length from 10.4m to 8.8m. It was originally approved with a 3.85m setback and a reduction in the length from 10.4m to 8.4m. The current S96 application would still reduce the shed size by 1.6m but less than the 2m as initially requested/resolved by Council.

The applicant advises the reason for this is to better align the works with the structural members of the existing building.

### Assessment issues

The Council staff assessment is unable to contradict the previous resolution of Council in October 2014, which was very specific. However, should Council seek to agree to the 1.6m building reduction as opposed to 2m, from a planning perspective this is not of a significant scale. However, the S96 proposed still exceeds the scope of variation that might normally be applied to such a structure, in respect to its location coupled with its bulk and scale.

## MINUTES ORDINARY COUNCIL - 24 NOVEMBER 2015

Given the bulk and scale of the structure and its proximity to the property boundary, it is considered to have an unacceptable environmental impact on the streetscape and character of the area. It also has an adverse impact upon the amenity of the streetscape in the immediate vicinity. It is acknowledged the structure erected is not of a significant scale, however being a corner allotment, the siting of the structure is more intrusive than encouraged/enabled by Council's planning policies.

As a comparison the structure did not comply with the previous DCP at the time, and does not comply with the new DCP which has been adopted since the original DA was approved.

Accordingly, the proposal is not considered a good planning outcome and it is recommended that the S96 be refused and the notice of intent to serve an order remain active with Council continuing compliance processes and the shed remaining at the 3.85m setback with a length of 8.8m as previously approved by Council in October 2014.

### COMMUNITY STRATEGIC PLAN

Strategic Direction	Delivery Program 2015-2019
Balance the environmental, social and economic needs of Port Stephens for the benefit of present and future generations.	Provide Strategic Land Use Planning Services. Provide Development Assessment and Building Certification Services.

### FINANCIAL/RESOURCE IMPLICATIONS

There are no foreseen financial or resource implications for Council resulting from the recommendation of this report.

Source of Funds	Yes/No	Funding (\$)	Comment
Existing budget	Yes		
Reserve Funds	No		
Section 94	No		
External Grants	No		
Other	No		

### LEGAL, POLICY AND RISK IMPLICATIONS

The development application is not consistent with Council's Local Environmental Plans and local policy including Development Control Plan 2014.

<b>Risk</b>	<b><u>Risk Ranking</u></b>	<b>Proposed Treatments</b>	<b>Within Existing Resources?</b>
There is a risk that the applicant may appeal against a refusal issued.	Low	Consider the application against Council's detailed assessment which outlines the proposal does not comply with the DCP.	Yes
There is a risk that an unsuitable level of amenity and streetscape will be the result in the immediate area.	Medium	Refuse the application as per the recommendation.	Yes

### **SUSTAINABILITY IMPLICATIONS**

Includes Social, Economic and Environmental Implications

It is considered that there are minor potential economic impacts on adjoining property values given the location of the shed, as it is considered to be out of character with the immediate streetscape, and does not maintain an acceptable level of visual amenity for the immediate community, in regards to its bulk and overall scale within the front boundary setback, and being located in a prominent corner location.

The expectation for what the community can expect to see with development controls like setbacks is established in Council's DCP, which has gone through an extensive community engagement process.

### **CONSULTATION**

- 1) The original application was neighbour notified and no submissions were received.
- 2) The S96 was not required to be neighbour notified.

### **OPTIONS**

- 1) Accept the recommendations.
- 2) Amend the recommendations.
- 3) Reject the recommendations.

**ATTACHMENTS**

- 1) Location Plan.
- 2) Assessment Report.

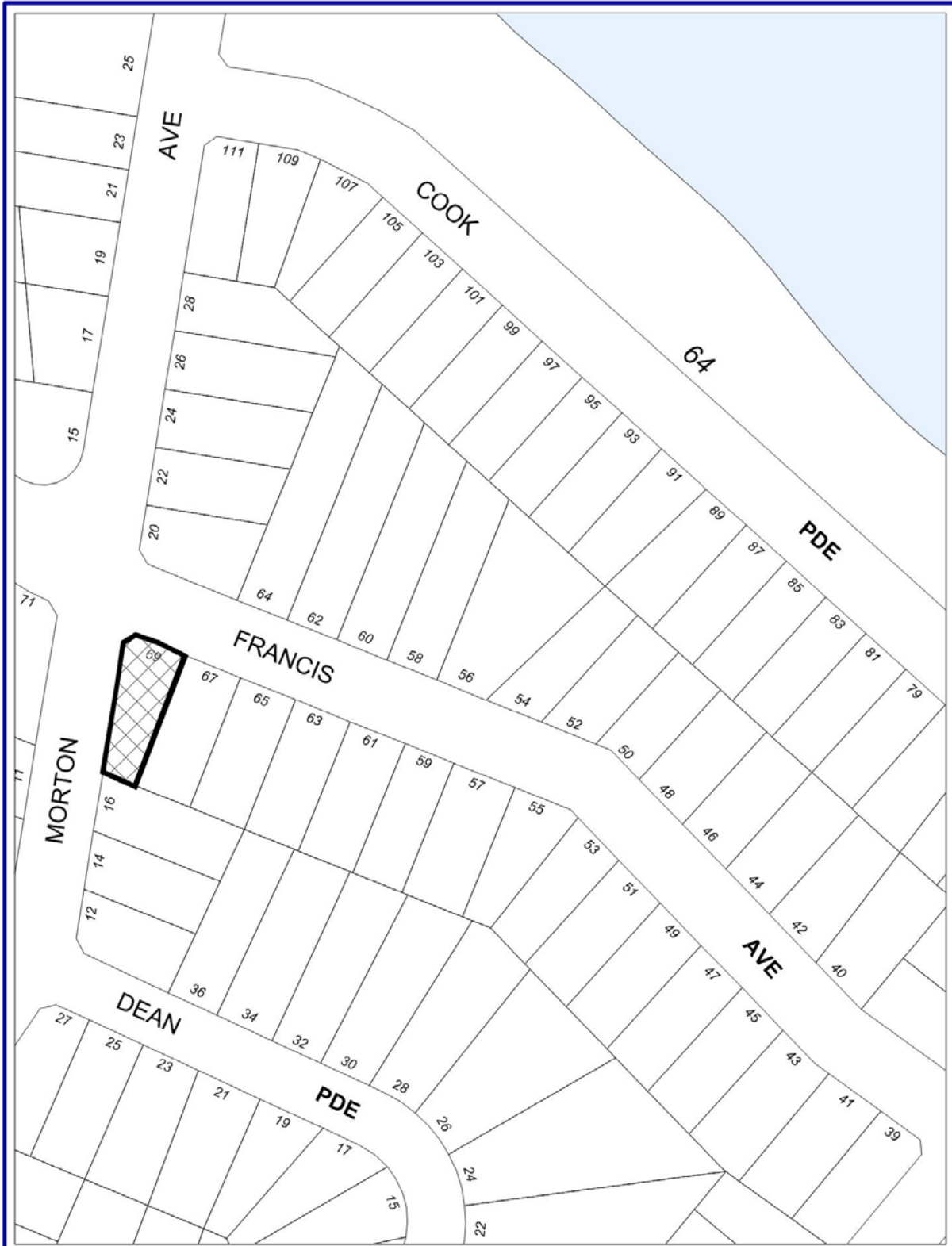
**COUNCILLORS ROOM**

- 1) Copies of the proposed plans – provided under separate cover.

**TABLED DOCUMENTS**

Nil.

ITEM 1 - ATTACHMENT 1 LOCATION PLAN.



**LOCALITY:  
LEMON TREE PASSAGE**

 **SUBJECT AREA**

**DISCLAIMER**  
Port Stephens Council accepts no responsibility for any errors, omissions or inaccuracies whatsoever contained within or arising from this map. Verification of the information shown should be obtained by the relevant officers at council.

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NOT TO SCALE

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## Development Assessment Report

1. APPLICATION REFERENCES	
<b>Application No.</b>	16-2014-41-2
<b>Property</b>	69 Francis Ave, Lemon Tree Passage
<b>Lot and DP</b>	LOT: 74 DP: 214619
<b>Description of development</b>	Section 96 to Approval for continues use of shed
<b>Applicant</b>	Mr T A Owen
<b>Date lodged</b>	15/09/2015
<b>Owners Consent</b>	
<b>Capital Investment Value</b>	
<b>Present use</b>	Shed 10a
<b>Zoning</b>	R2
<b>Site Constraints</b>	Comer Lot, DCP & LEP
<b>88B Instrument and Deposited Plan</b>	
<b>Submissions</b>	
<b>Recommendation</b>	Refusal
<b>Assessing Officer</b>	Ryan Bridges
<b>Proposal</b>	
Section 96 to amend the previously approved conditions requiring a reduction of shed size from 2m to 1.6m	
<b>Site Description</b>	
Comer lot with slight fall to Francis Ave	
<b>Site History</b>	
16-200-761-1 Garage application	
16-2014-41-1 Use of Shed	

Environmental Planning and Assessment Act 1979



Classification of development	y/n
Is the development proposal <u>Local Development</u> ?	y
Is notification necessary?	n
Have all adjoining and affected owners been notified (two week period)?	n
Is the development proposal <u>Advertised Development</u> ?	n
Have adjoining and affected properties been notified?	n
Has an advertisement been placed in local newspaper?	n
Is the development proposal <u>Nominated Integrated Development</u> or captured under <u>Threatened Species Act</u> ?	n
Has the development been advertised for 30 days	n
Is the development proposal of <u>Regional Significance</u> ?	n
Is the development proposal <u>State Significant Development</u> ?	n

Other External Referrals		
Agency	Legislation	Y/N
Roads and Maritime Services	SEPP (Infrastructure) 2007	n
Hunter Water Corporation	<i>Hunter Water Regulation 2010</i> -	Required
NSW Office of Water	<i>Hunter Water Regulation 2010</i>	
<b>Comment</b>		

INTERNAL REFERRAL ASSESSMENT
<b>Planning - No</b>
<b>Engineering - N/A</b>

Heritage	N
Will the proposal:	n
• Affect a heritage item or within the vicinity of a heritage item;	
• Affect places/sites of known/potential Aboriginal heritage significance; or	n
• Affect known/potential archaeological sites/relics of European heritage significance?	n

SECTION 5A CONSIDERATIONS	N



Section 79C(1) EP&A Act 1979 – potential matters for consideration	
<b>1.1 (a)(i) the provisions of any environmental planning instrument (EPI)</b>	
<b>State Environmental Planning Policies</b>	
Do any of the following SEPP's apply? <i>If so, undertake separate assessment in that regard.</i>	Y/N
State Environmental Planning Policy (Affordable Rental Housing) 2009	N/A
State Environmental Planning Policy (Building Sustainability Index: BASIX) 2004	N/A
State Environmental Planning Policy (Exempt and Complying Development Codes) 2008	N/A
State Environmental Planning Policy (Housing for Seniors or People with a Disability) 2004	N/A

<b>Assessment Comments and recommendation :</b>
<p><i>Insert General Assessment Comments;</i></p> <p><b>DCP</b></p> <p><b>4.1 Site Coverage – Compliant</b></p> <p><b>4.2 Height-</b> Height of the structure will remain as previously approved by Council</p> <p><b>4.3 Number of Storeys – Single Storey shed with high ceilings</b></p> <p><b>4.4 Setbacks -</b> S96 application was received seeking a variation reduction of the shed from 2m to 1.6m (400mm less). This would position the shed 3.45m behind the front boundary and increase the shed length to 8.8m. It was originally approved with a 3.85m setback and a reduction in the length from 10.4m to 8.4m. The increased length would have negative impacts on the streetscape and potential create visual issues with traffic safety concerns when approaching the corner.</p> <p><b>4.6 Building Form and Streetscape -</b> The requested amendment still exceeds the scope of variation that might normally be applied to such a structure in respect to its location coupled with its bulk and scale. It is noted that the variation is neither suitable nor appropriate in the immediate location.</p> <p><b>4.7 Orientation to the Street Frontage –</b> The orientation to the street frontage</p> <p><b>4.8 Bulk and Scale -</b> Given the bulk and scale of the structure and its proximity to the property boundary it is considered to have an unacceptable environmental impact on the streetscape character of the area and an adverse impact upon the amenity of the streetscape in the immediate vicinity.</p> <p><b>4.9 Solar access –</b> No privacy issues will be generated from the variation</p> <p><b>4.10 Privacy –</b> No privacy issues will be generated from the variation</p>



Assessment Comments and recommendation :

**4.15 Stormwater and Drainage** – Stormwater will remain as existing

**6.2 Outbuildings (residential)** – Previously construct shed, issues are addressed above in 4.4 to 4.8.

DETERMINATION

At what level should the application be determined? Ordinary Council Meeting

Officer under delegation from Council.

endorsement

Staff recommend that the application be refused and the current conditions of approval determined by Council remain valid.

ITEM NO. 2

FILE NO: PSC2015-01000  
TRIM REF NO: PSC2009-09539

**DRAFT RAYMOND TERRACE AND HEATHERBRAE STRATEGY 2015-2031 AND PROPOSED AMENDMENTS TO THE PORT STEPHENS DEVELOPMENT CONTROL PLAN 2014**

REPORT OF: TIMOTHY CROSDALE - STRATEGY AND ENVIRONMENT  
SECTION MANAGER  
GROUP: DEVELOPMENT SERVICES

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**RECOMMENDATION IS THAT COUNCIL:**

- 1) Endorse the exhibited Raymond Terrace and Heatherbrae Strategy 2015-2031 with the associated amendments highlighted in yellow (**ATTACHMENT 1**).
- 2) Endorse the exhibited amendments to the Port Stephens Development Control Plan 2014 – D1 Heatherbrae and D9 Raymond Terrace Town Centre with associated amendments highlighted in yellow (**ATTACHMENT 2**).
- 3) Note the submissions received during the public exhibition period by endorsing the planning comments provided as (**ATTACHMENT 3**).
- 4) Provide public notice within 28 days that the proposed amendments to the Port Stephens Development Control Plan 2014 – D1 Heatherbrae and D9 Raymond Terrace Town Centre chapters have been approved in accordance with the *Environmental Planning and Assessment Regulation 2000 (NSW)*.
- 5) Seek nominations from members of the Raymond Terrace and Heatherbrae communities to form the Strategy Implementation Panel in accordance with the listed Terms of Reference (**ATTACHMENT 4**).
- 6) Upon receipt of the nominations for the Strategy Implementation Panel report the matter to Council for endorsement and formal adoption of the Terms of Reference.

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**ORDINARY COUNCIL MEETING - 24 NOVEMBER 2015  
COMMITTEE OF THE WHOLE RECOMMENDATION**

	<p><b>Councillor John Nell</b> <b>Councillor Sally Dover</b></p> <p>That the recommendation be adopted.</p>
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**AMENDMENT**

**ORDINARY COUNCIL MEETING - 24 NOVEMBER 2015  
MOTION**

<p><b>Mayor Bruce MacKenzie</b> <b>Councillor Ken Jordan</b></p> <p>That Council:</p> <ol style="list-style-type: none"><li>1) Endorse the exhibited Raymond Terrace and Heatherbrae Strategy 2015-2031 with the associated amendments highlighted in yellow <b>(ATTACHMENT 1)</b>, subject to the Strategy being reviewed every five (5) years and the building height limits in Raymond Terrace be increased to ten (10) storeys.</li><li>2) Endorse the exhibited amendments to the Port Stephens Development Control Plan 2014 – D1 Heatherbrae and D9 Raymond Terrace Town Centre with associated amendments highlighted in yellow <b>(ATTACHMENT 2)</b>.</li><li>3) Note the submissions received during the public exhibition period by endorsing the planning comments provided as <b>(ATTACHMENT 3)</b>.</li><li>4) Provide public notice within 28 days that the proposed amendments to the Port Stephens Development Control Plan 2014 – D1 Heatherbrae and D9 Raymond Terrace Town Centre chapters have been approved in accordance with the <i>Environmental Planning and Assessment Regulation 2000 (NSW)</i>.</li><li>5) Seek nominations from members of the Raymond Terrace and Heatherbrae communities to form the Strategy Implementation Panel in accordance with the listed Terms of Reference <b>(ATTACHMENT 4)</b>.</li><li>6) Upon receipt of the nominations for the Strategy Implementation Panel report the matter to Council for endorsement and formal adoption of the Terms of Reference.</li></ol>
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The amendment on being put became the motion, which was carried.

In accordance with Section 375 (A) of the Local Government Act 1993, a division is required for this item.

Those for the Motion: Mayor Bruce MacKenzie, Crs Geoff Dingle, Sally Dover, Ken Jordan, Peter Kafer, Paul Le Mottee, John Morello, John Nell and Steve Tucker.

Those against the Motion: Nil.

**ORDINARY COUNCIL MEETING - 24 NOVEMBER 2015  
MOTION**

<b>360</b>	<p><b>Councillor John Nell</b> <b>Councillor Ken Jordan</b></p> <p>It was resolved that Council:</p> <ol style="list-style-type: none"> <li>1) Endorse the exhibited Raymond Terrace and Heatherbrae Strategy 2015-2031 with the associated amendments highlighted in yellow <b>(ATTACHMENT 1)</b>, subject to the Strategy being reviewed every five (5) years and the building height limits in Raymond Terrace be increased to ten (10) storeys.</li> <li>2) Endorse the exhibited amendments to the Port Stephens Development Control Plan 2014 – D1 Heatherbrae and D9 Raymond Terrace Town Centre with associated amendments highlighted in yellow <b>(ATTACHMENT 2)</b>.</li> <li>3) Building height limits in Raymond Terrace be increased to ten (10) storeys.</li> <li>3) Note the submissions received during the public exhibition period by endorsing the planning comments provided as <b>(ATTACHMENT 3)</b>.</li> <li>4) Provide public notice within 28 days that the proposed amendments to the Port Stephens Development Control Plan 2014 – D1 Heatherbrae and D9 Raymond Terrace Town Centre chapters have been approved in accordance with the <i>Environmental Planning and Assessment Regulation 2000 (NSW)</i>.</li> <li>5) Seek nominations from members of the Raymond Terrace and Heatherbrae communities to form the Strategy Implementation Panel in accordance with the listed Terms of Reference <b>(ATTACHMENT 4)</b>.</li> <li>6) Upon receipt of the nominations for the Strategy Implementation Panel report the matter to Council for endorsement and formal adoption of the Terms of Reference.</li> </ol>
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In accordance with Section 375 (A) of the Local Government Act 1993, a division is required for this item.

Those for the Motion: Mayor Bruce MacKenzie, Crs Geoff Dingle, Sally Dover, Ken Jordan, Peter Kafer, Paul Le Mottee, John Morello, John Nell and Steve Tucker.

Those against the Motion: Nil.

## **BACKGROUND**

### **Introduction**

The purpose of this report is to consider 11 submissions received during the public exhibition of the Draft Raymond Terrace and Heatherbrae Strategy 2015-2031 (the draft strategy) and associated amendments to the Port Stephens Development Control Plan 2014 (the draft DCP).

The draft strategy seeks to make Raymond Terrace and Heatherbrae a strong regional centre, a great place to live, work and play through the following four goals:

- 1) A competitive economy with regional services, including transport, health, justice, environment, commercial, retail, industrial and entertainment.
- 2) A city of housing choice with homes that meet needs and lifestyle with a focus on providing for affordable accommodation.
- 3) A great place to live with quality public and private spaces that are accessible.
- 4) A resilient city with clear directions for improved social, environmental and economic outcomes.

The strategy is an actioned based plan. It identifies 38 actions that seek to achieve those identified four goals. They range from identifying preferred options for the upgrade of William Street to the adoption of a number of amendments to the Port Stephens Development Control Plan 2014. A key action of the formation of a Strategy Implementation Panel to be formed to guide and assist in the implementation of the actions identified under the strategy.

Council at its meeting of 26 May 2015 resolved to place the draft strategy and draft amendments to the DCP on public exhibition for a period of 28 days and following exhibition, report the matter back to Council.

This report recommends proposed changes to the draft strategy and draft DCP following public exhibition. These changes relate to the clarification of a number of matters, such as the proposed locations of passive open space and additional actions, including further investigation into the feasibility of existing height limits within the Raymond Terrace Town Centre.

### **Summary of key matters and proposed changes**

Proposed amendments to the exhibited strategy and draft DCP are highlighted in yellow within **(ATTACHMENT 1)** and **(ATTACHMENT 2)** respectively. Comments received during the exhibition period can be grouped into six key themes. They are briefly discussed below.

- 1) Boomerang Park

A number of submissions raised concerns about the proposed reclassification and rezoning of Boomerang Park. The draft strategy is ultimately guided by the



Boomerang Park Plan of Management and Masterplan that has been previously adopted by Council. No proposed change is recommended for the final strategy. The rezoning and reclassification is following a separate process, which will allow the opportunity for community input.

2) Civic Precinct

A submission requested an additional action for the development of a 'civic precinct'. This is consistent with Action No 11.1.1.9 – 'Prepare a project plan to redefine the civic precinct of Raymond Terrace' of the Port Stephens Community Strategic Plan. It is recommended that Action No.30 be included in the final strategy that seeks to define a civic precinct with particular relation to the existing Port Stephens Council Administration Building and the Library.

3) King Street

A number of submissions raised additional actions for the role of King Street to becoming a thriving street of cultural and heritage significance. Suggestions included the use of appropriate signage or paving the west/riverside footpath.

A number of existing actions within the strategy have been amended to ensure they address matters raised in submissions, such as the terms of reference of the streetscape design guidelines.

4) William Street Upgrade Options

William Street is the 'Main Street' of Raymond Terrace. William Street is currently in need of sub-base reconstruction. This provides the opportunity to upgrade the existing paving, lighting, furniture, trees and pavement width in order to expand the potential opportunities for alfresco dining and other commercial activities.

Three options for the upgrade of William Street were placed on public exhibition, being:

- **Option one** – No change to the street layout. Road improvements and upgrade to the existing footpath, paving, lighting, street furniture and street trees.
- **Option two** – Features of Option one, plus the widening of the footpath on the northern side to create equal footpath widths on both sides, which would also involve stormwater works.
- **Option three** – Features of Options one and two, but proposes a central median between Sturgeon and Port Stephens Street that would result in street trees being removed from the kerbside to the middle of the street and kerb-side parking would become parallel on the southern side.

During exhibition, a voting booth resulted in ten votes for Option one, five votes for Option two and 19 votes for Option three. Three written submissions directly expressed a preference, being two for Option one and one for Option two.

Option three has been identified as the preferred option in the final strategy **(ATTACHMENT 1)** on the basis of public submissions. This option includes the preference for a central median, which acts as a pedestrian refuge and in turn provides for a more pedestrian friendly environment. This encourages people to park their cars and move around the town centre on foot, supporting increased business activity.

The final strategy recognises that the selection of the options will be subject to further detailed design of the upgrade of William Street and securing funding. This will be undertaken as part of Council's forward works planning process and subject to further Council consideration.

5) Heatherbrae Employment Lands

A submission sought to provide economic justification for further lands to be rezoned for general industrial purposes at Heatherbrae. This land owned by Weathertex is located to the east of the planned Heatherbrae Pacific Highway bypass and was identified by the Raymond Terrace and Heatherbrae Discussion Paper as being appropriate for 'future long term investigations'.

The SGS, July 2010, 'Port Stephens Commercial and Industrial Lands Study' provides the economic justification of land supply/demand across the Local Government Area and identified that both Heatherbrae and Tomago have sufficient industrial lands over the 15 year life of the strategy. This is further reinforced by the Hill PDA, 2012, 'Raymond Terrace and Heatherbrae Economic Land Use Study'.

Having regard for the location and serviceability of the land it is recommended that the request is consistent with the intent and findings of previous studies and therefore warrants consideration. Therefore, it is recommended the strategy be amended to include these lands as being suitable for long-term investigation for general industrial purposes. This will enable Heatherbrae to be ready to accommodate further industrial demand as and when this demand increases. At this point, significant vacant industrial lands are present at Heatherbrae and identification of this site for rezoning is considered premature.

6) Raymond Terrace Town Centre Building Heights

An internal review identified current building height limits within the town centre may limit the feasibility of some development and in turn has resulted in a number of key sites, being vacant for an extended period of time. It is recommended that Action No.15 be amended to include a review of the existing height limits within the commercial zone of the Raymond Terrace town centre.

A more comprehensive list of submissions and planning recommendations is provided as **(ATTACHMENT 3)**.

**COMMUNITY STRATEGIC PLAN**

<b>Strategic Direction</b>	<b>Delivery Program 2015-2019</b>
Balance the environmental, social and economic needs of Port Stephens for the benefit of present and future generations.	Provide Strategic Land Use Planning Services. Provide Development Assessment and Building Certification Services.

**FINANCIAL/RESOURCE IMPLICATIONS**

There are a number of financial and resource implications that relate to the implementation of the strategy, including:

- 1) William Street Upgrade: This upgrade has been estimated to be within the vicinity of \$20M. The funding for this project would be derived from a number of sources, including available grants and capital funding. The detail of which is yet to be confirmed and would be subject to further consideration and reporting to Council.
- 2) Studies: The strategy contains a number of actions, such as the development of an Economic/Commercial Prospectus/Strategy, Streetscape Design Guideline, planning proposals and the investigation of height limits. All this work has resourcing implications, which will be managed by the relevant Groups and Sections of Council and factored into ongoing budget processes as appropriate.
- 3) Implementation Panel: The Strategy recommends the formulation of a panel to guide and ensure the implementation of the actions contained in the strategy. This panel will be required to be managed using existing budget resources within the Strategy and Environment Section.
- 4) Council has a Memorandum of Understanding (MoU) for Planning Reform Funding (PRF) with the NSW Department of Planning and Environment from which this strategy was developed. In order to receive the remaining \$35,000 Council is required to adopt the draft Raymond Terrace and Heatherbrae Strategy and associated draft DCP amendments.

<b>Source of Funds</b>	<b>Yes/No</b>	<b>Funding (\$)</b>	<b>Comment</b>
Existing budget	Yes		The preparation of the draft strategy was managed within existing budget resources.
Reserve Funds	No		
Section 94	Yes		Unknown at this time.
External Grants	Yes	65,000	Planning Reform Funding.
Other	Yes		Unknown at this time.

**LEGAL, POLICY AND RISK IMPLICATIONS**

**Environmental Planning and Assessment Act 1979 (EP and A Act) (NSW)**

The proposed DCP amendments have been prepared and exhibited in accordance with the provisions of the *EP and A Act 1979 (NSW)*, which sets a hierarchal relationship between planning documents.

The role of a DCP is to facilitate development under the *Port Stephens Local Environmental Plan 2013 (NSW)* by providing local matters for consideration in the determination of a development application. Once adopted and then notified by Council in a local newspaper the proposed plan becomes a key matter for consideration under the *EP and A Act 1979 (NSW)* (s79c).

**Environmental Planning and Assessment Regulation 2000 (EP and A Reg) (NSW)**

This *EP and A Reg (NSW)* provides further guidance to the form, structure and subject matter of a DCP. Council has achieved the following milestones during the drafting, exhibition and adoption of the DCP.

<b>EP and A Regulation 2000</b>	<b>Date</b>	<b>Comment</b>
S16 Preparation	2014-2015	
S18 DCP Public Exhibition	SEP 2015	
S19 Copies available	SEP 2015	
S20 Submissions	AUG 2015	
S21 Approval	24 NOV 15	Subject to Council Resolution.
S22 DCP Repeal of Existing	24 NOV 15	Subject to Council Resolution.

**Lower Hunter Regional Strategy (LHRS)**

The LHRS identifies Raymond Terrace as one of six major regional centres. The Port Stephens Planning Strategy (PSPS) reinforces this regional centre role by identifying both Raymond Terrace and Heatherbrae as being located within the Primary Growth Corridor. A key role of the strategy is to provide further guidance for the centre's growth as a major regional centre.

<b>Risk</b>	<b><u>Risk Ranking</u></b>	<b>Proposed Treatments</b>	<b>Within Existing Resources?</b>
There is a risk that Council does not have the required resources to implement the strategy.	Low	The strategy will assist in applying for grants or identify works that need to be included in forward works programs.	Yes.
There is a risk that the strategy is not	Low	One of the key actions of the strategy is to form an	Yes.

## MINUTES ORDINARY COUNCIL - 24 NOVEMBER 2015

implemented.		implementation panel, which will drive the implementation of the strategy to ensure it achieves tangible outcomes.	
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### SUSTAINABILITY IMPLICATIONS

Includes Social, Economic and Environmental Implications

The draft strategy and DCP proposes to make Raymond Terrace and Heatherbrae a strong regional centre, a great place to live, work and play through the identified four goals. A number of social, economic and environmental implications will result through the implementation of the 38 actions contained within the strategy.

### CONSULTATION

The draft strategy and DCP were placed on public exhibition from Thursday, 6 August until Thursday 3 September 2015 (28 days). Notification was placed in the 'Port Stephens Examiner' and exhibition material was available for viewing at the Port Stephens Council Administration Building, Tomaree Library and on Council's website under 'What's on Exhibition'.

An interactive mapping tool, known as 'Social Pinpoint' was also placed on Council's website and a 'Polling Booth' was placed in the Foyer of the Administration Building. These two options served as an alternative to traditional methods of consultation.

A total of 11 written submissions were received, 16 comments on Social Pinpoint and 39 votes via the polling booth. A summary of submissions and an appropriate planning response is provided as **(ATTACHMENT 3)**.

### OPTIONS

- 1) Accept the recommendations.
- 2) Amend the recommendations.
- 3) Reject the recommendations.

### ATTACHMENTS

- 1) Raymond Terrace and Heatherbrae Strategy. (Provided under separate cover)
- 2) Development Control Plan Amendments. (Provided under separate cover)
- 3) Submission Summary and Planning Response. (Provided under separate cover)
- 4) Implementation Panel Terms of Reference. (Provided under separate cover)

### COUNCILLORS ROOM

Nil.

### TABLED DOCUMENTS

Nil.

## MINUTES ORDINARY COUNCIL - 24 NOVEMBER 2015

The Mayor suspended Standing Orders at 6.21pm to accept a presentation from Corlette Sailing Club for Council's support of the Sail Port Stephens event.

The meeting resumed at 6.23pm , with all present.

**ITEM NO. 3**

**FILE NO: PSC2015-01000/994  
TRIM REF NO: PSC2013-03818**

### **DRAFT REVISED MEDOWIE PLANNING STRATEGY AND TOWN CENTRE MASTER PLAN**

REPORT OF: TIMOTHY CROSDALE - STRATEGY AND ENVIRONMENT  
SECTION MANAGER  
GROUP: DEVELOPMENT SERVICES

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#### **RECOMMENDATION IS THAT COUNCIL:**

- 1) Endorse the draft revised Medowie Planning Strategy (**ATTACHMENT 1**) and draft Medowie Town Centre Master Plan (**ATTACHMENT 2**) for public exhibition for a period of 60 days commencing in February 2016.

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#### **ORDINARY COUNCIL MEETING - 24 NOVEMBER 2015 COMMITTEE OF THE WHOLE RECOMMENDATION**

	<b>Councillor Geoff Dingle Councillor Steve Tucker</b>  That the recommendation be adopted.
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In accordance with Section 375 (A) of the Local Government Act 1993, a division is required for this item.

Those for the Motion: Mayor Bruce MacKenzie, Crs Geoff Dingle, Sally Dover, Ken Jordan, Peter Kafer, Paul Le Mottee, John Morello, John Nell and Steve Tucker.

Those against the Motion: Nil.

#### **ORDINARY COUNCIL MEETING - 24 NOVEMBER 2015 MOTION**

<b>361</b>	<b>Councillor John Nell Councillor Ken Jordan</b>  It was resolved that Council endorse the draft revised Medowie Planning Strategy ( <b>ATTACHMENT 1</b> ) and draft Medowie Town Centre Master Plan ( <b>ATTACHMENT 2</b> ) for public exhibition for a period of 60 days
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commencing in February 2016.

In accordance with Section 375 (A) of the Local Government Act 1993, a division is required for this item.

Those for the Motion: Mayor Bruce MacKenzie, Crs Geoff Dingle, Sally Dover, Ken Jordan, Peter Kafer, Paul Le Mottee, John Morello, John Nell and Steve Tucker.

Those against the Motion: Nil.

**BACKGROUND**

The purpose of this report is to recommend that Council place the draft revised Medowie Planning Strategy (**ATTACHMENT 1**) and the draft Medowie Town Centre Master Plan (**ATTACHMENT 2**) on public exhibition for a period of 60 days. The intent is to update the existing Medowie Strategy that was adopted by Council in 2009.

The review of the Medowie Strategy 2009 has been completed in consultation with the Medowie Strategy Review Consultative Panel established by Council under its resolution of 27 August 2013. The input and contribution of the Panel is acknowledged and appreciated.

Preparing the draft revised Medowie Planning Strategy and the draft Medowie Town Centre Master Plan is consistent with the objectives of Council's Community Strategic Plan 2013-2023 to balance the social and economic needs of Port Stephens for the benefit of present and future generations; provide strategic land use planning services; and to provide statutory planning support and coordination of greenfield development.

**Medowie Strategy 2009**

The existing Medowie Strategy 2009 was adopted to guide future urban development in Medowie for 20 to 25 years following Medowie's identification in various planning strategies as a location to accommodate future urban growth. Its preparation included extensive public consultation.

The Structure Plan – Land Use Activities from the Medowie Strategy 2009 is shown in (**ATTACHMENT 3**).

Since the adoption of the Medowie Strategy 2009 a number of issues have been identified and arisen with potential to impact on delivery of the 'structure plan' as originally envisaged. This includes: fragmented land ownership; flooding; drainage; water quality; vegetation management; traffic and transport; and the practicality of delivering land use concepts.

A review and update is appropriate to continue to facilitate the delivery of land for housing in an efficient and practicable manner, and also to ensure identified urban growth is supported by appropriate infrastructure planning.

### **Draft Revised Medowie Planning Strategy**

The draft revised Medowie Planning Strategy is based on the following six key principles:

- Principle one – Urban development is underpinned by the provision of appropriate infrastructure.
- Principle two – Water quality is improved or maintained within the Grahamstown Dam Drinking Water Catchment.
- Principle three – Future urban development on flood prone land is avoided.
- Principle four – Key koala habitat and corridors are identified and maintained.
- Principle five – Commercial development is focused on the existing town centre.
- Principle six – Rural residential development continues to contribute to the character of Medowie.

The draft Medowie Planning Strategy Map is provided at **(ATTACHMENT 4)**. Key features include:

- Dwelling yield of 2,200 to 2,600 dwellings in urban release areas (+ dwelling yield in rural residential release areas).
- Population growth of 6,700 to 7,800 people in urban release areas (+ population growth in the rural residential release areas) consistent with regional population and development projections for the area.
- Simplified land use structure (that is also consistent with the new land use zones under the Port Stephens Local Environmental Plan 2013).
- Commercial development centred on the existing town centre (with limited additional commercial uses in other locations).
- Greater proportion of rural residential development (particularly in the west and south west of Medowie including the Ferodale Road West, Abundance Road and Fairlands Road areas).
- Precinct planning approach (to assist and facilitate infrastructure and overcome land fragmentation).
- Incorporation of the adopted Ferodale Park Sports Complex Master Plan;
- Greater emphasis on the need to improve or maintain water quality within the Grahamstown Dam Drinking Water Catchment (a major factor to consider in urban development in Medowie).
- A detailed draft Medowie Town Centre Master Plan referred to in a separate section of this report.

As part of the Strategy review, a community infrastructure audit has been undertaken to determine how the current level of community infrastructure meets the existing and future community needs (under the draft revised Medowie Planning Strategy). The audit found that there is merit at this time, or in the near future, for the provision of an



additional community centre and library lounge. There is sufficient provision of open space areas; however there is growing demand and opportunity to improve and expand existing sporting facilities (including implementation of the adopted Ferodale Park Sports Complex Master Plan). Further to this, Council (under a separate report) is considering the provision of future traffic and transport provision in Medowie.

In addition, it is acknowledged that drainage in Medowie is an issue for the existing and future community. A key recommendation of the draft revised Medowie Planning Strategy is for the completion of a drainage strategy to be co-funded with the Hunter Water Corporation.

### **Medowie Town Centre Master Plan**

The draft Medowie Town Centre Master Plan is a key complementary planning document to be incorporated into the draft Medowie Planning Strategy. It has been prepared to coordinate and guide future development within the town centre commercial precinct including: land use and built form; the future road and pedestrian network; and options for a centrally located area of open space (including public toilets). It provides two options for the future development of the Medowie town centre to provide flexibility for a 'residential' and/or an 'additional commercial floorspace' option. The residential and additional commercial floorspace options of the draft Medowie Town Centre Master Plan are at **(ATTACHMENT 5)**.

### **Related Infrastructure Plans**

Progress has also been made on infrastructure planning to underpin urban growth in Medowie. This includes the preparation of the Medowie Floodplain Risk Management Plan (Stage four of five on exhibition); the Medowie Traffic and Transport Plan (completed, including public exhibition of complementary local infrastructure contributions); and the Ferodale Sports Complex Master Plan (adopted). As noted above, a drainage plan is to be commenced in collaboration with the Hunter Water Corporation.

It is recommended to continue with the public exhibition of the revised draft Medowie Planning Strategy concurrent with the ongoing preparation, implementation or review of these infrastructure plans. How the draft revised draft Medowie Strategy process will interrelate for the delivery of the urban growth and be underpinned by related infrastructure plans is illustrated in **(ATTACHMENT 6)**.

### **COMMUNITY STRATEGIC PLAN**

<b>Strategic Direction</b>	<b>Delivery Program 2015-2019</b>
Balance the environmental, social and economic needs of Port Stephens for the benefit of present and future generations.	Provide Strategic Land Use Planning Services. Provide Development Assessment and Building Certification Services.

**FINANCIAL/RESOURCE IMPLICATIONS**

Placing the draft Medowie Planning Strategy and draft Medowie Town Centre Master Plan on public exhibition has minimal financial and resource implications. If adopted, the plans themselves have broad financial and resource implications for Council because anticipated future urban growth requires a coordinated and orderly approach and will result in the need for new and/or augmented infrastructure and services.

<b>Source of Funds</b>	<b>Yes/No</b>	<b>Funding (\$)</b>	<b>Comment</b>
Existing budget	Yes	41,500	Draft revised Medowie Strategy and Medowie Town Centre Master Plan preparation fees.
Reserve Funds	No		
Section 94	No		
External Grants	No		
Other	No		

**LEGAL, POLICY AND RISK IMPLICATIONS**

The draft Medowie Planning Strategy and draft Medowie Town Centre Master Plan will effect changes to local land use policy.

There is a risk that the community, landowners and other stakeholders do not support the draft documents. There is a particular risk that affected landowners may feel aggrieved in instances where there is a change in land use type compared to the existing Medowie Strategy. In such cases it has been identified that delivery of the original land use concepts are unlikely to be achieved in a reasonable or practicable manner due to the identified constraints. Further, Council has a comprehensive community engagement strategy to ensure the community is informed and involved in the draft revised Medowie Strategy and draft Medowie Town Centre Master Plan.

**Lower Hunter Regional Strategy 2006-2031**

Preparing the draft Medowie Planning Strategy is consistent with the Lower Hunter Regional Strategy 2006-2031 which identifies Medowie as a proposed urban area with boundaries to be defined through local planning. Its implementation will facilitate achieving the Lower Hunter Regional Strategy 2006-2031's dwelling capacity projections of 7,200 dwellings in new release areas across the Port Stephens Local Government Area.

**Port Stephens Planning Strategy 2011-2036**

Preparing the draft Medowie Planning Strategy is consistent with the Port Stephens Planning Strategy 2011-2036 which identifies Medowie as a potential future residential area. Its implementation will facilitate achieving the 2,400 (approximate)

potential residential dwellings the Port Stephens Planning Strategy 2011-2036 estimates for Medowie.

### **Medowie Strategy 2009 (Existing)**

If it is adopted following public exhibition, the draft Medowie Planning Strategy will replace the existing Medowie Strategy 2009.

The status of various sites considered since the adoption of the existing Medowie Strategy 2009 and summarised as:

- Medowie Woolworths (rezoned and developed).
- Boundary Road (rezoned and development application under assessment for approximately 350 allotments).
- Pacific Dunes (rezoned and development applications approved or pending for approximately 100 additional allotments).
- Catholic Schools Site (rezoned).
- Kingston Medowie (planning proposal post-exhibition report completed for approximately 350 allotments).
- 8 Waropara Road (planning proposal post-exhibition report completed for approximately 15 to 20 allotments).
- 17 Fairlands Road (ongoing assessment to address water quality concerns raised by Hunter Water Corporation at Gateway Determination stage for approximately 50 allotments).
- 9 Waropara Road (under assessment pending the draft Medowie Planning Strategy for 1 allotment).
- 142 Kindlebark Drive (Gateway Determination received for additional permitted commercial uses).
- 98 Coachwood Drive (under assessment for approximately 100 allotments).

The location of these sites is shown in **(ATTACHMENT 7)**.

### **Port Stephens Development Control Plan 2014**

In addition to general Port Stephens Development Control Plan 2014 provisions, a site-specific development control plan will be required for each 'planning precinct' within Medowie, including the town centre. It must address a range of detailed subdivision development matters including: staging; transport and traffic management; landscaping; open space; stormwater and water quality; and natural hazards. Each development control plan specific area will be consistent with the broader overarching draft Medowie Planning Strategy.

### **Port Stephens Development Contributions Plan 2007**

Adoption of a Medowie Local Area Contributions Plan – Traffic and Transport is under separate consideration of Council as an amendment to the Port Stephens Development Contributions Plan 2007. Its purpose is to fund the provision of traffic and transport infrastructure upgrades required as a result of future urban growth

under the existing Medowie Strategy 2009, in addition to general contributions under the Port Stephens Development Contributions Plan 2007. Future additional infrastructure planning will be undertaken which will be used to inform future amendments to Council's development contributions plans.

**Port Stephens Local Environmental Plan 2013**

Land use changes identified in the draft Medowie Planning Strategy will be facilitated through amendments to the Port Stephens Local Environmental Plan 2013 via the planning proposal (rezoning) process. A key aspect of the draft revised Medowie Strategy is for future planning proposals to be completed on a precinct basis. This is to assist in overcoming existing barriers to development including land fragmentation, effective infrastructure provision and balance of the environmental values of the Medowie area.

Preparing the draft revised Medowie Planning Strategy references the current Port Stephens Local Environmental Plan 2013 land use zones.

<b>Risk</b>	<b><u>Risk Ranking</u></b>	<b>Proposed Treatments</b>	<b>Within Existing Resources?</b>
There is a risk that the community, landowners and other stakeholders do not support the draft Medowie Planning Strategy the draft Medowie Town Centre Master Plan.	Low	Pre exhibition consultation completed with a community panel established by Council. Place the draft Medowie Planning Strategy and draft Town Centre Master Plan on public exhibition and report on any submissions received prior to adoption.	Yes
There is a risk that water quality can be affected by additional urban development within the Grahamstown Dam Drinking Water Catchment.	Medium	Undertake a drainage strategy in conjunction with the Hunter Water Corporation. Require planning proposals to demonstrate neutral or beneficial effect on water quality.	Yes
There is a risk that additional urban development will affect existing flooding or be exposed to future flooding.	Medium	Complete and implement the recommendations of the Medowie Flood Study and assess planning proposals to avoid flood risk.	
There is a risk that the future development of	Medium	Endorse the revised draft Medowie Strategy and draft	Yes

## MINUTES ORDINARY COUNCIL - 24 NOVEMBER 2015

Medowie is not supported by adequate infrastructure.		Medowie Town Centre Master Plan for exhibition.	
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### SUSTAINABILITY IMPLICATIONS

Includes Social, Economic and Environmental Implications

Revising the Medowie Strategy has broad positive social and economic implications. It ensures that strategic land use planning for Medowie remains current; continues to facilitate the delivery of housing identified in the Port Stephens Planning Strategy 2011-2036 and the Lower Hunter Regional Strategy 2006-2036 in a reasonable and practicable manner; provides for an estimated yield of 2,200 to 2,600 dwellings in urban release areas (plus rural residential areas); and also provides for community infrastructure planning.

The draft revised Medowie Planning Strategy has positive and potential negative environmental implications. Conservation of the koala is the most significant ecological issue. Other threatened species are present in the area, but most would not require additional protection if an umbrella species (such as the koala) is adequately protected. The large majority of koala habitat and endangered ecological communities are situated within and along the border of flood prone land (which is not identified for future urban development). Key habitat corridors on flood free land are also identified.

There are potential direct negative environmental implications through the identification of some areas of vegetation for urban development. Any impact on flora and fauna will require assessment against applicable legislation and policy (for example the Port Stephens Comprehensive Koala Plan of Management) and loss of biodiversity is likely to require offsetting in accordance with NSW Office of Environment and Heritage policy and guidelines.

Ministerial Directions issued under Section 117 of the *Environmental Planning and Assessment Act 1979* (NSW) that influence land use planning in Medowie and taken into broad consideration for the Strategy are: Direction 2.1 Environmental Protection Zones; Direction 3.4 Integrating Land Use and Transport; Direction 3.5 Development Near Licensed Aerodromes; Direction 4.3 Flood Prone Land; and Direction 5.1 Implementation of Regional Strategies. Planning proposals seeking to implement the draft Medowie Planning Strategy must be consistent with, or provide adequate justification for departure from, these and the range of other applicable Directions.

### CONSULTATION

#### Prior to public exhibition

As part of the review process Council established the Medowie Strategy Review Consultative Panel (the Panel). The Panel is comprised of: the Central Ward Councillors and the Mayor; community representatives; and relevant Council staff. The key purposes of the Panel are to: assist in identifying current and emerging

issues in Medowie; provide a forum for information sharing between Council and the community; and provide comment and feedback on the Strategy review. It is not a formal committee of Council and does not have a formal decision-making role (it is advisory only). The Panel has met five times to discuss the following key milestones:

- Meeting one on 3 December 2013: General discussion and vision.
- Meeting two on 1 September 2014: Town centre discussion.
- Meeting three on 5 November 2014: Infrastructure audit and town centre master plan project brief.
- Meeting four on 18 March 2015: town centre master plan concept and revised strategy main map.
- Meeting five on 10 June 2015: Updated town centre master plan concept and a revised strategy main map.

The Panel has been consulted during the preparation of the draft Medowie Planning Strategy and draft Medowie Town Centre Master Plan prior to this Report being prepared. Feedback has been received from Panel members from initiation and preparation stages and incorporated wherever possible.

In addition, Council has actively engaged with the Hunter Water Corporation throughout the development of the draft revised Medowie Strategy. This has included agreement for Hunter Water Corporation to collaborate with Council for the preparation of a drainage strategy in the Campvale Drain Catchment.

### **During public exhibition**

The recommendation of this Report is to place the revised draft Medowie Planning Strategy and draft Medowie Town Centre Master Plan on public exhibition for a period of 60 days. Given the impending Christmas period it is recommended Council commences the public exhibition in February 2016. A Community Engagement and Communications Plan has been prepared and includes drop-in sessions at the Medowie Community Centre and online engagement. Landowners whose properties are subject of the draft Medowie Town Centre Master Plan will be directly notified.

### **After public exhibition**

It is proposed to meet with the Panel following the public exhibition period to consider the submissions received.

A report will be prepared for council's consideration following the public exhibition period, with a view to adopting a revised Medowie Strategy and Medowie Town Centre Master Plan after consideration of any issues raised including consideration of potential amendments.

### **OPTIONS**

- 1) Accept the recommendations.
- 2) Amend the recommendations.
- 3) Reject the recommendations.

**ATTACHMENTS**

- 1) Draft Revised Medowie Planning Strategy. (Provided under separate cover)
- 2) Draft Medowie Town Centre Master Plan. (Provided under separate cover)
- 3) Medowie Strategy 2009 Structure Plan - Land Use Activities. (Provided under separate cover)
- 4) Draft Revised Medowie Planning Strategy Map. (Provided under separate cover)
- 5) Draft Medowie Town Centre Master Plan Map (inc Additional Commercial Floorspace Option). (Provided under separate cover)
- 6) Process. (Provided under separate cover)
- 7) Site Summary. (Provided under separate cover)

**COUNCILLORS ROOM**

Nil.

**TABLED DOCUMENTS**

Nil.

**ITEM NO. 4**

**FILE NO: PSC2015-01000V2/026**  
**TRIM REF NO: PSC2012-02056**

**MEDOWIE LOCAL AREA CONTRIBUTIONS PLAN FOR TRAFFIC AND  
TRANSPORT INFRASTRUCTURE**

REPORT OF: TIMOTHY CROSDALE - STRATEGY AND ENVIRONMENT  
SECTION MANAGER  
GROUP: DEVELOPMENT SERVICES

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**RECOMMENDATION IS THAT COUNCIL:**

- 1) Note the submissions received and summarised at **(ATTACHMENT 1)** during the public exhibition period.
- 2) Endorse the proposed amendments to the exhibited Port Stephens Development Contributions Plan 2007 and Port Stephens Section 94A Development Contributions Plan.
- 3) Adopt the amendments to the Port Stephens Development Contributions Plan 2007 and Port Stephens Section 94A Development Contributions Plan to include local area development contributions towards traffic and transport infrastructure in Medowie as summarised in **(ATTACHMENT 2)** in accordance with the provisions of Section 31 of the *Environmental Planning and Assessment Regulation 2000* (NSW) and Section 94EA of the *Environmental Planning and Assessment Act 1979* (NSW).

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**ORDINARY COUNCIL MEETING - 24 NOVEMBER 2015**  
**COMMITTEE OF THE WHOLE RECOMMENDATION**

	<p><b>Councillor Steve Tucker</b> <b>Councillor Geoff Dingle</b></p> <p>That the recommendation be adopted.</p>
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In accordance with Section 375 (A) of the Local Government Act 1993, a division is required for this item.

Those for the Motion: Mayor Bruce MacKenzie, Crs Geoff Dingle, Sally Dover, Ken Jordan, Peter Kafer, Paul Le Mottee, John Morello, John Nell and Steve Tucker.

Those against the Motion: Nil.



ORDINARY COUNCIL MEETING - 24 NOVEMBER 2015  
MOTION

<b>362</b>	<p><b>Councillor John Nell</b> <b>Councillor Ken Jordan</b></p> <p>It was resolved that Council:</p> <ol style="list-style-type: none"><li>1) Note the submissions received and summarised at <b>(ATTACHMENT 1)</b> during the public exhibition period.</li><li>2) Endorse the proposed amendments to the exhibited Port Stephens Development Contributions Plan 2007 and Port Stephens Section 94A Development Contributions Plan.</li><li>3) Adopt the amendments to the Port Stephens Development Contributions Plan 2007 and Port Stephens Section 94A Development Contributions Plan to include local area development contributions towards traffic and transport infrastructure in Medowie as summarised in <b>(ATTACHMENT 2)</b> in accordance with the provisions of Section 31 of the <i>Environmental Planning and Assessment Regulation 2000</i> (NSW) and Section 94EA of the <i>Environmental Planning and Assessment Act 1979</i> (NSW).</li></ol>
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In accordance with Section 375 (A) of the Local Government Act 1993, a division is required for this item.

Those for the Motion: Mayor Bruce MacKenzie, Crs Geoff Dingle, Sally Dover, Ken Jordan, Peter Kafer, Paul Le Mottee, John Morello, John Nell and Steve Tucker.

Those against the Motion: Nil.

**BACKGROUND**

The purpose of this report is to recommend that Council adopts amendments to the Port Stephens Development Contribution Plan 2007 and Port Stephens Section 94A Development Contributions Plan **(COUNCILLORS ROOM ITEMS 2 AND 3)** to include local area development contributions towards the traffic and transport infrastructure in Medowie required as a result of potential urban growth under the Medowie Strategy 2009 and summarised in **(ATTACHMENT 2)**.

The recommendation follows a period of public exhibition and amendments to the exhibited documents. This report outlines the submissions received during exhibition and proposed amendments to the exhibited plans for Council's consideration.

The preparation and implementation of adequate development contributions plans is directly linked to the Infrastructure, Sustainable Development and Strategic Land Use Planning Delivery Program provisions of Council's Integrated Plans 2013-2023.

In March 2015, Council resolved to place on public exhibition draft amendments to the Port Stephens Development Contributions Plan 2007 and the Port Stephens Section 94A Development Contributions Plan (the Ports Stephens Development Contributions Plans) to include an additional local area works schedule for Medowie. The local area works schedule relates to a range of traffic and transport infrastructure, including cycleway works, and would enable contributions to be sought towards traffic and transport infrastructure in addition to existing development contributions.

The need for these works has been established through the Medowie Strategy 2009. It is noted that the proposed amendments are being prioritised ahead of the review of the Medowie Strategy given local development pressures in Medowie.

Three submissions were received during public exhibition, with the key issues raised are summarised as:

- Demonstrable nexus between contributions and proposed developments;
- Excessive scope of works.
- Over-estimation of the cost of works.

Generally, the nexus, recommended scope of works and costs (with the recommended amendments) is considered appropriate based on strategic traffic and transport investigations into future urban growth under the Medowie Strategy 2009.

A submission summary table including response to the issues raised is at **(ATTACHMENT 1)**.

In response to the submissions received it is recommended that the following changes be made to the exhibited draft amendments:

- Remove an upgrade to Medowie Road (Ferodale Road to Richardson Road) to four lanes for separate investigation for the reasons outlined in **(ATTACHMENT 3)** (exhibited Item #24 and estimated cost \$10.25M). Further, remove the inclusion of proposed traffic lights (intersection of Medowie Road and Ferodale Road) (exhibited Item #12 and estimated cost \$2.05M) for separate investigation.
- Amend the cost of a proposed roundabout at the intersection of Medowie Road and Brocklesby Road from \$2.05M to \$820,000 (exhibited Item #16) due to maintaining Medowie Road at two lanes.
- Amend the staging threshold for exhibited item #19 Cycleway – Medowie Road (Ferodale to South Street) from 'low' to 'high' and exhibited Item #5 Cycleway – Medowie Road (Federation Close to Kindlebark Drive) from 'medium' to 'high'.
- Add a cycleway along Waropara Road – East side - Ferodale Road to Medowie Christian School (new item estimated cost \$600,000).

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- Add a cycleway along Medowie Road – West side – heading south from Ferodale Road for approximately 500m (new item estimated at \$500,000).

The exhibited draft amendments identified works with a total value of \$30.4M (comprising traffic management works costed at \$24.1M and pedestrian and cycleway works costed at \$6.3M) resulting in a local area contribution of \$4,210 per additional lot or dwelling.

The recommended draft amendment identifies works with a reduced total value of \$17.935M (comprising traffic management works costed at \$10.575M and pedestrian and cycleway works costed at \$7.36M) resulting in a reduction in the proposed local area contribution to \$2,484 per additional lot or dwelling. The proposed changes to the amendments represent a reduction of \$1,726 per lot contribution to the exhibited amendment.

A review undertaken indicates that the proposed local area contribution is generally consistent with or less than other local area contributions applied by other Hunter councils and is considered reasonable.

The recommended local area contribution will only apply to the Medowie local area contributions plan boundary as shown within **(ATTACHMENT 1)** consistent with the strategy area identified in the Medowie Strategy 2009.

### COMMUNITY STRATEGIC PLAN

Strategic Direction	Delivery Program 2015-2019
Balance the environmental, social and economic needs of Port Stephens for the benefit of present and future generations.	Provide Strategic Land Use Planning Services. Provide Development Assessment and Building Certification Services.

### FINANCIAL/RESOURCE IMPLICATIONS

Under the recommended amendment 'new' development will contribute 43% (\$7.712M) and 'existing' development (through general capital works funding) will contribute 57% (\$10.223M) towards the cost to fund the identified traffic and transport infrastructure upgrades required to accommodate future growth under the Medowie Strategy 2009. It is noted that the works have been identified for growth in Medowie through to 2031.

The administrative cost of preparing and exhibiting the recommended Medowie Local Area Contributions Plan can be met through the existing operational budget and development contribution funds.

<b>Source of Funds</b>	<b>Yes/No</b>	<b>Funding (\$)</b>	<b>Comment</b>
Existing budget	No		
Reserve Funds	No		
Section 94	Yes	27,000	Costs associated with preparing, implementing and administering development contributions can be funded through the contributions levied including consultants costs.
External Grants	No		
Other	No	10.223M	Existing development (ie Council's contribution) is 57% of the cost of works and would be funded through the capital works funding process.

## **LEGAL, POLICY AND RISK IMPLICATIONS**

### **Environmental Planning and Assessment Act 1979 (NSW)**

Section 94 *Contribution towards provision or improvement of amenities and services* under the *Environmental Planning and Assessment Act 1979 (NSW)* (the Act) is the principal method enabling Councils to levy contributions for public amenities and services required as a consequence of development. Section 94 contributions are imposed by way of condition of development consent. Section 94B(1) of the Act requires that a contribution can only be imposed by way of consent if a development contributions plan so authorises Council. Furthermore, a contribution can only be imposed if it is in accordance with that contributions plan.

Section 94 contributions need to be based on two key principles:

- Reasonableness – in terms of nexus (the connection between development and demand created) and apportionment (the share borne by future development).
- Accountability – both public and financial (money from contributions is spent on what it was collected for).

Contributions can also alternatively be levied based on a fixed percentage of development costs under Section 94A *Fixed development consent levies* contributions of the Act.

### **Port Stephens Section 94 Development Contributions Plan 2007 and Port Stephens Section 94A Development Contributions Plan**

Adopting the recommendations of this report will amend the Port Stephens Development Contributions Plans to require additional local area development contributions towards traffic and transport infrastructure in Medowie to support urban growth anticipated under the Medowie Strategy 2009.

### **Medowie Strategy 2009**

The Medowie Strategy 2009 is under separate review. This is also likely to lead to a review of the supporting Medowie Traffic and Transport Plan (Urban Research and Planning, December 2012) and the amendments to the Port Stephens Development Contributions Plans recommended by this Report; however current development pressure in Medowie means an interim local area contributions plan should be implemented as soon as practicable. Without the adoption of the recommended amendments there is a risk that adequate development contributions will not be made to accommodate future urban growth in Medowie.

### **Scope of Works**

The scope of the traffic and transport infrastructure works set out in the Medowie Traffic and Transport Study (Urban Research and Planning, December 2012) is confirmed by the supporting Section 94 Contributions Plan for Medowie – Traffic and Transport (Urban Research and Planning, January 2013) including costings.

Review of submissions received during the public exhibition period has also informed amendments to the proposed scope of works.

### **Nexus**

Anticipated urban growth under the Medowie Strategy 2009 will result in the need for new and/or augmented infrastructure and services in Medowie. The evidence base for works to be funded by the recommended amendments to the Port Stephens Development Contributions Plans is provided through the supporting Medowie Traffic and Transport Study (Urban Research and Planning, December 2012) and the Section 94 Contributions Plan for Medowie – Traffic and Transport (Urban Research and Planning, January 2015). These plans establish the appropriate nexus between the required traffic and transport infrastructure for future urban growth and the recommended amendments to the Port Stephens Development Contributions Plans.

### **Cost of Works**

The proposed costs of works in the recommended amendments are strategic engineering estimates. Alternative reduced cost estimates provided in some submissions have no more or less justification as no details have been provided.

### **Apportionment**

Based on Council's demographic and development projections for Medowie, 43% of the predicted future population of Medowie will occur through new development.

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Accordingly, new development can only be charged a total of 43% (\$7.712M) of the estimated works costs. The remaining 57% (\$10.223M) of estimated works costs will need to be funded through other general Council revenue sources.

The additional contribution (\$2,484) when combined with the existing LGA-wide contribution (\$13,788) is \$16,272 and is still below the contribution caps set by the NSW State Government (\$30,000). This means that no further approval is required from the Independent Pricing and Regulatory Tribunal.

<b>Risk</b>	<b><u>Risk Ranking</u></b>	<b>Proposed Treatments</b>	<b>Within Existing Resources?</b>
There is a risk that Council will be unable to collect local development contributions related to development proposals in Medowie.	High	Support the recommendation and adopt the proposed amendments to the Port Stephens Development Contributions Plans.	Yes
There is a risk that the Medowie Local Area Contributions Plan will need to be reviewed and re-exhibited when the review of the Medowie Strategy 2009 is finalised.	Low	Support the recommendation and adopt the proposed amendments to the Port Stephens Development Contributions Plans and undertake a review at a later date with the separate review of the Medowie Strategy 2009.	Yes
There is a risk that development conditions imposed in accordance with any contributions plan adopted for Medowie might be challenged by appeal to the NSW Land and Environment Court.	Low	Support the recommendation and adopt the proposed amendments to the Port Stephens Development Contributions Plans, which are based on the consideration of the submissions received, the Medowie Strategy 2009 and the Medowie Traffic and Transport Study (including complementary Section 94 Contributions Plan for Medowie – Traffic and Transport).	Yes

## **SUSTAINABILITY IMPLICATIONS**

Includes Social, Economic and Environmental Implications

The recommended amendments to the Port Stephens Development Contributions Plans seeks to facilitate improved social outcomes through improved access to housing, jobs and services for new and existing residents of Medowie. It does this by introducing a sustainable funding source for upgrading the road network, pedestrian and cycleway facilities to appropriate and acceptable standards.

Improved economic outcomes are facilitated by ensuring new development funds and appropriate portion of the cost of local traffic and transport infrastructure required to sustain urban growth in Medowie. The recommended amendments do this by determining an equitable balance in funding between new and existing development in the Medowie Strategy 2009 catchment.

Improved environmental outcomes are facilitated by reducing congestion related pollution and by encouraging alternatives to use of private vehicles. The recommended amendments do this by ensuring road network improvements meet NSW Roads and Maritime Services' 'level of service' requirements to a reasonable level and by providing cycle ways and pedestrian paths as an alternative to motor vehicle use.

Implementation of the recommended amendments will directly contribute to delivery of the Infrastructure, Sustainable Development and Strategic Land Use Planning Delivery Program outcomes of Council's Integrated Plans 2013-2023.

## **CONSULTATION**

### **Public Exhibition**

The amendments to the Port Stephens Development Contributions Plans were placed on public exhibition from 19 March to 16 April 2015. Three submissions were received during the public exhibition period (including a submission from Councillor Dingle). The issues raised are summarised as:

- Demonstrable nexus between contributions and proposed developments;
- Excessive scope of works; and
- Over-estimation of the cost of works.

In summary response to these issues, the nexus and recommended scope of works and costs – with the recommended amendments – is appropriate based on strategic traffic and transport investigations undertaken for anticipated future urban growth under the Medowie Strategy 2009.

A submission summary table including response to the issues raised is at **(ATTACHMENT 1)**.

**OPTIONS**

- 1) Accept the recommendations.
- 2) Amend the recommendations.
- 3) Reject the recommendations.

**ATTACHMENTS**

- 1) Submission Summary Table.
- 2) Medowie Local Area Contributions - Traffic and Transport Summary Sheet.
- 3) Medowie Road Information Sheet.

**COUNCILLORS ROOM**

- 1) Submissions.
- 2) Port Stephens Section 94 Development Contributions Plan 2007.
- 3) Port Stephens Section 94A Development Contributions Plan.

**TABLED DOCUMENTS**

Nil.



ITEM 4 - ATTACHMENT 1 SUBMISSION SUMMARY TABLE.

Author	Submission	Response
Company	<p>Council needs to demonstrate the nexus between the proposed additional traffic and transport upgrades and future development in the Medowie area to justify levying the additional contributions, including as they relate to proposed development at Boundary Road.</p> <p>While support is given to the need to upgrade and construct traffic and transport infrastructure projects within the Medowie area, the proposed number of roundabouts and shared paths are excessive with conceivable traffic problems. It is highly likely that many measures such as the roundabouts proposed are not required on technical traffic capacity grounds.</p> <p>The submission does not support the Plan as exhibited and requests Council undertake further investigation including: who funds certain projects; review the cost estimates of certain projects; investigate which projects are required based on a technical capacity needs; and remove all projects that do not have nexus between proposed new developments within the Medowie area.</p> <p>The submission also lists 43 projects with comments and alternative (reduced) engineering costs, and also a transport planning and engineering consultancy firm's review of the Plan.</p>	<p>Expanding and enhancing the traffic and transport infrastructure network benefits the entire population of the Medowie area. The requirement for physical nexus to be fulfilled is for any new or augmented traffic and transport infrastructure to be within the land to which the <i>Medowie Local Area Contributions Plan</i> (the Plan) applies. The listed works are intended to benefit the whole Medowie area not just those in the immediate vicinity of the infrastructure; hence the cost apportionment is based on the total population (existing and future).</p> <p>The Plan incorporates the principles of local area traffic management in the planning and management of the road and pathway networks. This involves the use of physical devices such as gateway treatments, speed zoning, pedestrian refuge islands, roundabouts and traffic signals for amenity, connectivity and road safety purposes to benefit all road users. It endeavours to implement an overall plan of works to best serve the Medowie community into the future commensurate with the projected increase in traffic generated by incoming development.</p> <p>Project costs are strategic as there are no concept plans available for the works listed in the Plan. The alternative submitted cost estimates have no more or less justification as those recommended.</p> <p><b>Recommendation – remove some high cost items subject to further investigation. This has significantly reduced the cost per additional dwelling or allotment.</b></p>

ITEM 4 - ATTACHMENT 1 SUBMISSION SUMMARY TABLE.

Author	Submission	Response
Company	The Plan does not provide an analysis of the effect of the predicted future growth on the existing infrastructure if this infrastructure does not change.	The <i>Medowie Traffic and Transport Study</i> (URAP 2012) identified strategic traffic and transport infrastructure required for development of the Medowie area. The performance of the major intersections was assessed based on the results of traffic modelling. The study recognised that not all traffic management measures are based on road capacity or intersection operation (and their relevant level of service). Other elements, such as land use activities, access requirements, road safety and street environment often play a more important role in determination of such treatments.  <b>Recommendation – no amendment to the <i>Medowie Traffic and Transport Study</i> (URAP 2012).</b>
	Questions the need to upgrade Medowie Road, noting that there are many two-way, two-lane arterial roads operating satisfactorily with higher mid-block traffic volumes, and question the need to upgrade Medowie Road to four lanes.	<b>Recommendation – Remove from the works schedule Item #24 upgrade to Medowie Road (Ferodale Road to Richardson Road) to four lanes - subject to further investigation of the sub-regional road network.</b>
	Seeks a review of population growth based on another study and not the Medowie Strategy. Suggests population growth should be reviewed in light of the recent <i>Medowie Flood Study</i> and the Hunter Water Corporation advice.	The traffic projections are based on development potential contained in the <i>Medowie Strategy</i> as adopted 2009. This is Council's formal position and an appropriate basis to establish a population forecast.  <b>Recommendation – no amendment to the exhibited Plan</b>
	Makes comment on the provision of a roundabout at the intersection of Medowie Road and South Street in the Plan, that development on the eastern side has already constructed a suitable intersection to cater for full development of that side of Medowie Road.	Installation of a roundabout at the intersection of Medowie Road and South Street is not included in the Plan. <b>Recommendation – no amendment to the exhibited Plan</b>

ITEM 4 - ATTACHMENT 1 SUBMISSION SUMMARY TABLE.

Author	Submission	Response
Individual (Cr Dingle)	The document is poorly laid out and does not provide adequate information on many items to justify priorities and provides little guidance for what works should take place in what order, and which projects will best benefit the community in the short, medium and longer terms.	The formatting of the recommended Plan is set out to be generally consistent with the <i>Port Stephens Development Contributions Plans 2007</i> . Staging thresholds have been updated to be assigned as 1 (High) 2 (Medium) 3 (Low) priority instead of 'A' 'B' or 'C'.  <b>Recommendation – revise the staging threshold to a numbering system</b>
	There has been limited reference to new developments and planning proposals that are currently in the system and will have most impact on traffic movement changes and meeting pedestrian needs (for example the Kingston Planning Proposal).	Intersection works to service planning proposals that do not have an intersection treatment identified in the recommended Plan will be set through the preparation of development control plans and conditions of development consent. For recent planning proposals (such as Kingston) Council has resolved to progress with these, when the proposed local area contributions for Medowie subject of this report have been adopted to fund future infrastructure provision.  <b>Recommendation – no amendment to the exhibited Plan</b>
	The <i>Medowie Traffic and Transport Plan</i> shows a roundabout at South Street and this is a critical intersection, however it is not listed in Table 4.1 <i>Infrastructure Implementation</i> .	A roundabout at the intersection of South Street and Medowie Road is not included in the recommended Plan. Any upgrade to this intersection will be considered as part of any potential development application on the western side of Medowie Road.  <b>Recommendation – no amendment to the exhibited Plan</b>

ITEM 4 - ATTACHMENT 1 SUBMISSION SUMMARY TABLE.

Author	Submission	Response
Individual (Cr Dingle) cont.	<p>Some statements made in the <i>Medowie Traffic and Transport Plan</i> (URAP) should be reviewed and amended/updated: population statistic references; description of the use of Medowie Road following its sealing (p.5); include that Medowie Road is the alternative regional route to Newcastle and the Airport; the references to public bus services e.g. upwards of 1,000 students take a bus out of Medowie (p.32); Ferodale Road should be described as the major east/west link road (p.23); the description of vehicular trip behaviour patterns (p.23); the function of Peppertree Road (p.24).</p>	<p>The <i>Medowie Traffic and Transport Plan</i> will need to be reviewed as part of the separate review of the <i>Medowie Strategy</i>. This includes review of and updating some of the descriptive information and assumptions, and to reflect any recent development (for example the construction of Peppertree Road and any new subdivisions).</p> <p><b>Recommendation – no amendment to the exhibited Plan. The <i>Medowie Traffic and Transport Plan</i> is likely to be the subject of separate future review</b></p>
	<p>A roundabout is indicated on Figure 1 (URAP <i>Medowie Section 94 Plan – Traffic and Transport</i>) but unless land on the western side of Brocklesby Road is rezoning it is not really justified because the current deceleration and acceleration lanes are adequate and vision is excellent.</p>	<p>Retain the inclusion of a roundabout at the intersection of Medowie Road and Brocklesby Road (#16 in the exhibited Plan). Land on the western side of Brocklesby Road is identified for potential residential use by the <i>Medowie Strategy</i>.</p> <p><b>Recommendation – no amendment to the exhibited Plan</b></p>
	<p>Some of the suggested roundabouts at locations such as Abundance/Ferodale (Item #33 in the exhibited Plan), Lisadell/Fairlands (Item #27 in the exhibited Plan) are doubtful as the road area does not allow for any standards to be met re: dimensions and this would require purchase of private property to expand access. We would end up with intersections that require most large vehicles to access over the top, creating safety hazards.</p>	<p>Retain inclusion of these roundabouts to enable the collection of development contributions from all new development within the Plan catchment area and facilitate future planning for their construction.</p> <p><b>Recommendation – no amendment to the exhibited Plan</b></p>

**ITEM 4 - ATTACHMENT 1 SUBMISSION SUMMARY TABLE.**

<b>Author</b>	<b>Submission</b>	<b>Response</b>
Individual (Cr Dingle) cont.	Placing traffic lights at the intersection of Ferodale Road and Medowie Road (Item #12 in the exhibited Plan) has the potential to queue traffic across intersections and access to shops, private dwellings and Medowie Community Centre. This was previously investigated and discounted because of short travel distances between intersections.	<b>Recommendation - Remove from the works schedule Item #12 traffic lights at the intersection of Medowie Road and Ferodale Road, to be subject to further investigations associated with the potential widening of Medowie road to four lanes.</b>
	Installation of a roundabout at the intersection of Ferodale Road and Peppertree Road (Item #39 in the exhibited Plan) has been rejected and a T-intersection retained to maintain two lane access on Ferodale and Peppertree Roads. Unless land is secured on the southern side of Ferodale Road at this intersection a roundabout is not possible to be constructed and meet standards.	Retain inclusion of the roundabout at the intersection of Ferodale and Peppertree Road to enable the collection of development contributions to facilitate its future planning for its construction.  <b>Recommendation – no amendment to the exhibited Plan</b>
	There is limited argument for duel lanes for Medowie Road (Ferodale Road to Richardson Road). Either side of this road section is single lane, there will be additional intersections created for the Kingston Estate, and lands surrounding the Blueberry Road entrance requiring roundabout treatments, complicating duel lanes.	Defer inclusion of an upgrade to Medowie Road (Ferodale Road to Richardson Road) to four lanes subject to further investigation of the sub-regional road network.  <b>Recommendation – Remove from the works schedule Item #24 upgrade to Medowie Road (Ferodale Road to Richardson Road) to four lanes - subject to further investigation of the sub-regional road network (including traffic lights at the intersection of Medowie Road and Ferodale road) and reduce the associated cost of a potential roundabout at the intersection of Medowie Road and Ferodale Road</b>

ITEM 4 - ATTACHMENT 1 SUBMISSION SUMMARY TABLE.

Author	Submission	Response
Individual (Cr Dingle) cont.	<p>A cycleway connection should be considered between Ferodale Road/Medowie Road intersection and Medowie Road/Richardson Road intersection. Reduced speed limits in the vicinity of the RAAF Base should be reviewed for safety reasons.</p>	<p>A cycleway is proposed along Medowie Road - Ferodale Road to South Street – east side (Item #19 in the exhibited Plan) and has been reallocated from staging threshold 3 (Low) to staging threshold 1 (High). Extending the cycleway beyond South Street to the RAAF Base has merit to be investigated separately. It is outside of the Plan boundary. Amending the speed limit also has merit for investigation separately from the contributions Plan.</p> <p><b>Recommendation – amend the exhibited Plan to identify Item #19 in the exhibited Plan as a 1 (High) priority item.</b></p>
	<p>The Federation to Kindlebark Drive cycleway should be a high priority and the cost can be reduced if the existing bush path is utilised. This route picks up with the Kindlebark cycleway running through to Silver Wattle Drive. There is also an opportunity to construct a link between Medowie Road and Federation Drive which again is a current heavily used and very popular link. The construction of the estate at Boundary Road provides an opportunity to link with residents in Federation Estate.</p>	<p>A cycleway is proposed Medowie Road - Federation Close to Kindlebark Drive – east side (Item #5 in the exhibited Plan) and has been reallocated from staging threshold 2 (Medium) to staging threshold 1 (High) and includes using the existing bush path.</p> <p><b>Recommendation – amend the exhibited Plan to identify Item #5 in the exhibited Plan as a higher priority.</b></p>
	<p>There are numerous small connections required that would make walking and cycling so much more appealing and safer; example is next to No. 6 Casuarina Avenue through to Coolabah. There is also an extensive pathway through the reserve running between Casuarina and Coolabah, however at the Casuarina end there is no connection to the street.</p>	<p>This suggested item has merit for completion however its location is not within the Plan's defined contribution area.</p> <p><b>Recommendation – no amendment to the exhibited Plan.</b></p>

ITEM 4 - ATTACHMENT 1 SUBMISSION SUMMARY TABLE.

Author	Submission	Response
Individual (Cr Dingle) cont.	<p>The extension of Peppertree Road may potentially cut the current cycleway route on the southern. If this happens then the east side option (Item #9 in the exhibited plan) should be supported to allow pedestrians to avoid a very busy intersection and directly link with the cycleway Medowie Road – Silver Wattle to Ferodale Road that runs through Tallowood Reserve.</p>	<p>This item is retained in the recommended Plan to provide a cycleway link to the town centre.</p>
	<p>The document does not show an intersection treatment for Kingston. A cycleway link between the potential Kingston development and the Ferodale Road/Medowie Road intersection should be included. This connection would allow pedestrians and cyclists to easily travel to the commercial centre, and connect with local schools and sports fields.</p>	<p>An intersection at Medowie Road and the Kingston site will be considered at the development control plan and development application stages. A cycleway linking the Kingston development to the town centre is retained in the recommended Plan (Item #19 in the exhibited Plan – Medowie Road – Ferodale Road to South Street – off-road shared path east side). It is also recommended to include a duplicate link on the western side of Medowie Road –West side – heading south from Ferodale Road for approximately 500m (estimated cost is \$500,000).</p>
	<p>Schools and sports areas are critical infrastructure that needs to be linked. A critical cycleway link not listed is the Waropara Road/Ferodale Road intersection to Medowie Christian School continuing through to Kula Road. This is a heavily used pedestrian route and links with the existing Ferodale Road cycleway.</p>	<p><b>Recommendation – no amendment to the exhibited Plan –retain a cycleway on the western side of Medowie Road only in the vicinity of the Kingston development site.</b></p> <p>The recommended Plan has been updated to include an off-road shared path Waropara Road – Ferodale Road to Medowie Christian School</p> <p><b>Recommendation – add Item - pedestrian and cycleway – Waropara Road – Ferodale Road to Medowie Christian School – off-road shared path east side – cost estimate \$600,000 – Staging Threshold 1 (High).</b></p>

ITEM 4 - ATTACHMENT 1 SUBMISSION SUMMARY TABLE.

Author	Submission	Response
Individual (Cr Dingle) cont.	<p>A footpath from Wirreanda School on the south side of Brocklesby Road goes to 44 Brocklesby Road this should be completed through to the intersection at James road. There have been many requests for this work and it's a heavily used pedestrian area on the main bus route.</p> <p>The cycleway/footpath plan shown in this document seems to emanate from placement of pedestrian access along all the major road access routes. This is a very expensive option and should be abandoned for a more detailed plan to link existing cycleway footpath sections and to link up schools, sports fields and the commercial area first. The proposed longer and very expensive routes should be secondary: they are nice to have but not essential in the short and medium term.</p>	<p>A cycleway is included at Brocklesby Road - Medowie Road to Ferodale Road – off-road shared path north and west side (Item #17 in the exhibited Plan).</p> <p><b>Recommendation – no amendment to the exhibited Plan.</b></p> <p>The existing <i>Medowie Footpath and Cycling Strategy</i> has been used as one of the references for the <i>Medowie Traffic and Transport Plan</i> and the <i>Medowie Local Area Contributions Plan</i>. These documents, in combination, facilitate comprehensive planning for footpath and shared paths in Medowie.</p> <p><b>Recommendation – no amendment to the exhibited Plan.</b></p>



**ITEM 4 - ATTACHMENT 2 MEDOWIE LOCAL AREA CONTRIBUTIONS - TRAFFIC AND TRANSPORT SUMMARY SHEET.**

4.7.6 Medowie – Traffic and Transport

The Port Stephens Planning Strategy 2011-2036 (PSPS) and related Medowie Strategy 2009 identify Medowie as a significant urban release area for the Port Stephens LGA. Current projections are for a total population of approximately 15,020 people in Medowie by 2013, requiring provision of more than 3,000 additional dwellings. The Medowie Strategy is currently under review and updated population projections will inform future amendments to this Plan.

Growth in Medowie will result in the need for new and/or augmented infrastructure and services. Council has recognised the need to strategically manage traffic and transport issues.



Spatial limitation for Medowie Local Area Contributions

**Nexus**

The *Medowie Traffic and Transport Study* (URaP-TTW, 2012) identified that projected growth will generate additional vehicle, pedestrian and bicycle movements that will necessitate network improvements to maintain appropriate levels of service, safety and efficiency for the existing and future population.

The Traffic and Transport Study provides Infrastructure Implementation Plans for the road network strategy and for pedestrian and cycle connectivity. These have been costed and prioritised to form work schedules for Traffic Management Works and Pedestrian and Cycleway Works in Medowie (see Part 5.6 of this Plan).

**ITEM 4 - ATTACHMENT 2 MEDOWIE LOCAL AREA CONTRIBUTIONS - TRAFFIC AND TRANSPORT SUMMARY SHEET.****Calculation of Section 94 Contribution**

Total costs for Traffic Management Works and Pedestrian and Cycleway Works are \$17.935 million (\$10.575M traffic management and \$7.36M pedestrian and cycleway works). Total additional dwellings is estimated at 3,105. The proposed works will benefit both the existing population of Medowie ( $8,500 \div 15,020 = 57\%$ ) and the future population ( $6,520 \div 15,020 = 43\%$ ). Total works costs are accordingly apportioned, with 57% of the cost being borne by Council and 43% being apportioned to developer contributions levied on new residential development lots or dwellings.

**New residential development lots:**

= new population  $\div$  estimated average persons per dwelling  
=  $6520 \div 2.1$   
= 3,105 new dwellings

**Contribution per new development lot/dwelling:**

= 0.43 (total costs)  $\div$  number of new dwellings  
=  $0.43 (\$17.935M) \div 3,105$   
= \$2,484

**The Section 94 Contribution per additional lot or dwelling is \$2,484.**

**ITEM 4 - ATTACHMENT 2 MEDOWIE LOCAL AREA CONTRIBUTIONS - TRAFFIC AND TRANSPORT SUMMARY SHEET.**

**Medowie – Traffic and Transport**

<b>Project No</b>	<b>Locality</b>	<b>Project Description</b>	<b>Estimate</b>	<b>Staging Threshold</b>
1	Medowie Road	Road network – north of Boundary Road – gateway treatment at entrance to Medowie and change in speed zone from 100km/h to 70 km/h	\$30,000	1
2	Various roads	Pedestrian and cycleway – on-road routes within rural residential area – implement 50km/h area speed zoning with share the road signs supplemented with pavement markings (50 numerals and bicycle logos) at regular intervals throughout area	\$15,000	1
3	Medowie Road	Road network – between Boundary Road and Kirrang Drive – horizontal displacement mid-block treatment	\$50,000	1
4	Medowie	Pedestrian and cycleway – Boundary Road to Kirrang Drive – off-road shared path on west side to future residential area. Investigate possible alternative route – Boundary Road to Federation Drive via Settlers Close/Overland Avenue/Explorers Close	\$460,000	2
5	Medowie Road	Pedestrian and cycleway – Federation Close to Kindlebark Drive – off-road shared path on east side	\$515,000	1
6	Medowie Road	Road network – North of Kindlebark Drive – gateway treatment and change in speed zone from 70km/h to 50km/h	\$30,000	1
7	Off Medowie Road	Pedestrian and cycleway – Medowie Road to Cherry Tree Close – off-road shared path within cadastral corridor	\$50,000	1
8	Medowie Road	Road network – At Kindlebark Drive – roundabout intersection	\$820,000	3
9	Medowie Road	Pedestrian and cycleway – Silver Wattle Drive to Ferodale Road – Off-road shared path on east side	\$205,000	1
10	Off Wilga Road	Pedestrian and cycleway – Wilga Road to town centre – off-road shared path with bridge over creek	\$360,000	3
11	Kirrang Drive	Pedestrian and cycleway – Ferodale Road to Medowie Road – off-road shared path on west side	\$870,000	3
12	Various roads	Pedestrian and cycleway – on-road routes within rural residential area – implement 50km/h speed zoning with share the road signs supplemented with pavement markings (50 numerals and bicycle logos) at regular intervals throughout area	\$15,000	1

**ITEM 4 - ATTACHMENT 2 MEDOWIE LOCAL AREA CONTRIBUTIONS - TRAFFIC AND TRANSPORT SUMMARY SHEET.**

13	Medowie Road	Road network – south of Ferodale Road – gateway treatment at change in speed zone from 70km/h to 50km/h	\$30,000	1
14	Ferodale Road	Pedestrian and cycleway – off-road shared path south side – Kirrang Drive to Coachwood Drive <ul style="list-style-type: none"> <li>• Medowie Rd to Coachwood Drive</li> <li>• Kirrang Dr to Medowie Road</li> </ul>	\$1,080,000	1 3
15	Medowie Road	Road network – at Brocklesby Road – roundabout intersection (3 leg to suit existing T intersection; 4 leg to suit possible future development on west side of Medowie Road)	\$820,000	2
16	Brocklesby Road	Pedestrian cycleway – Medowie Road to Ferodale Road – Off-road shared path north and west side	\$975,000	3
17	Medowie Road	Road network – at Blueberry Road – improve channelization of existing intersection – shoulder widening and left turn lane	\$160,000	3
18	Medowie Road	Pedestrian and cycleway – Ferodale Road to South Street – off-road shared path east side	\$1,280,000	1
19	Off Ford Avenue	Pedestrian and cycleway – Ford Avenue to Sylvan Avenue – complete off-road shared path within cadastral corridor	\$50,000	1
20	Medowie Road	Road network – south of South Street - gateway treatment at entry to Medowie and change in speed zone from 08km/h to 70km/h	\$30,000	1
21	Medowie Road	Pedestrian and cycleway – at Kirrang/Federation Drive – upgrade pedestrian refuge island to current standards	\$20,000	2
22	Medowie Road	Pedestrian and cycleway – South of Kindlebark Drive (at existing bus stops) – upgrade pedestrian refuge island to current standard	\$20,000	2
23	Lisadell Road and Abundance Road	Road network – Fairlands Road to Industrial Road – Maintain 70km/h speed zone to promote this route as the western entrance into Medowie. Investigate widening of road pavement to provide a minimum carriageway width of 11m (2 x 3.5m wide traffic lanes, 2 x 2m wide road shoulders. Current width varies but has a general minimum of 7m (2 x 3.0m wide traffic lanes, 2 x 0.5m wide road shoulders)	\$2,050,000	1
24	Medowie Road	Pedestrian and cycleway – Silver Wattle Drive – install pedestrian refuge island	\$20,000	1
25	Lisadell Road	Road network – At Fairlands Road – roundabout intersection. Short term priority to widen road shoulder for left turn into Fairlands Road	\$820,000	1

**ITEM 4 - ATTACHMENT 2 MEDOWIE LOCAL AREA CONTRIBUTIONS - TRAFFIC AND TRANSPORT SUMMARY SHEET.**

26	Silver Wattle Drive	Pedestrian and cycleway – at Medowie Road – install pedestrian refuge island	\$20,000	1
27	Lisadell Road	Road network – at Abundance Road – Investigate possible road realignment – introduce horizontal curve to create a T intersection with priority given to the through movement.	\$615,000	1
28	Medowie Road	Pedestrian and cycleway – at Ferodale Road – upgrade pedestrian refuge island to current standards.	\$20,000	1
29	Abundance Road	Road network – south of Industrial Road – gateway treatment at change in speed zone from 70km/h to 50km/h	\$30,000	1
30	Medowie Road	Pedestrian and cycleway – south of Ferodale Road (at small commercial centre) – install pedestrian refuge	\$50,000	2
31	Abundance Road	Road network – At Ferodale Road – roundabout intersection. Signpost Abundance Road as the route to Raymond Terrace	\$820,000	1
32	Medowie Road	Pedestrian and cycleway – at Blueberry Road – install pedestrian refuge island	\$20,000	1
33	Kirrang Drive	Pedestrian and cycleway – at Ferodale Road – install pedestrian refuge island	\$20,000	1
34	Brocklesby Road	Pedestrian cycleway – at Ferodale Road – install pedestrian refuge island to replace existing median with no pedestrian refuge	\$20,000	1
35	Ferodale Road	Road network – at Kirrang Drive	\$820,000	1
36	Ferodale Road	Pedestrian and cycleway – west of Medowie Road – upgrade pedestrian refuge island to current standards	\$20,000	2
37	Ferodale Road	Road network – at Peppertree Road – roundabout intersection to replace existing T intersection	\$1,430,000	1
38	Various intersections	Pedestrian and cycleway – Install kerb returns, ease grades on shared path at approach to kerb ramps, install kerb ramps or modify to standards, install shared path and give way signage and logos – examples - <ul style="list-style-type: none"> <li>• Ferodale Road at Waropara Road</li> <li>• Ferodale Road at Bottle Brush Avenue</li> <li>• Ferodale Road at Kirrang Drive</li> </ul>	\$105,000	1
39	Ferodale Road	Road network – at main access to commercial land – roundabout intersection to replace several access driveways	\$820,000	1
40	Key Attractors	Pedestrian and cycleway – install bicycle parking facilities	\$50,000	1

**ITEM 4 - ATTACHMENT 2 MEDOWIE LOCAL AREA CONTRIBUTIONS - TRAFFIC AND TRANSPORT SUMMARY SHEET.**

41	Peppertree Road	Road network – Ferodale Road to Medowie Road - extension (at the same width of Peppertree Road) including kerb and gutter and bus zone to the north, then east to connect through to Medowie Road between properties at 785 and 787 Medowie Road along with upgrading of intersection	\$1,200,000	1
42	Waropara Road	Pedestrian and cycleway – Ferodale Road to 6B Waropara Road – off-road shared path east side	\$600,000	1
43	Medowie Road	Pedestrian and cycleway – Ferodale Road to 500m south – off-road shared path west side	\$500,000	1

ITEM 4 - ATTACHMENT 2 MEDOWIE LOCAL AREA CONTRIBUTIONS - TRAFFIC AND TRANSPORT SUMMARY SHEET.



**ITEM 4 - ATTACHMENT 2 MEDOWIE LOCAL AREA CONTRIBUTIONS - TRAFFIC AND TRANSPORT SUMMARY SHEET.**

**Schedule of Amendments to Port Stephens Section 94 and 94A Development Contributions Plans necessitated by Incorporation of Medowie Local Area Contributions**

<b>Page/Section No</b>	<b>Amendments to section 94 Plan (Amendment No 9)</b>
Page ii - Footer	Replace the words "Amendment No 9" with the words "Amendment No 10"
Page ii - Contents	Add "4.7.6 Medowie – Traffic and Transport" and relevant page number immediately below "4.7.5 Fern Bay – Bus shelters".
Page 1 - Section 1.1	In the first paragraph of section 1.1 replace the words "Amendment No 8" with the words "Amendment No 10"
Page 1 - Section 1.1	In the last paragraph of Section 1.1 replace the words "Port Stephens Local Environmental Plan 2000" with "Port Stephens Local Environmental Plan 2013"
Page 2 - Section 1.2	In Table 1 "Additional Local Area Contributions" directly under "Fern Bay Bus Shelters" add the following words and number, in respective columns "Medowie – Traffic and Transport" "\$0" "\$2,484"
Page 39 - Section 4.76	Insert new section titled "4.7.6 MEDOWIE – TRAFFIC AND TRANSPORT"
Page 72 - Section 5.6	Insert new table "Medowie Traffic and Transport"
Page 158 - Section 6.7	Insert a new map titled "Medowie – Traffic and Transport"
<b>Page/Section No</b>	<b>Amendments to Section 94A Plan</b>
Page i - Contents	Replace the word "Amendment No 6" with the word "Amendment No 7"
Page 7 - Section 2.1	Replace the words "Amendment No 6" with the words "Amendment No 7"
Page 72 - Section 5.6	Insert new table "Medowie Traffic and Transport"
Page 119 - Section 6.7	Insert a new map titled "Medowie – Traffic and Transport"



**ITEM 4 - ATTACHMENT 3 MEDOWIE ROAD INFORMATION SHEET.**

**SUMMARY ASSESSMENT - EXHIBITED ITEM #24 - MEDOWIE ROAD – RICHARDSON ROAD TO FERODALE ROAD FERODALE ROAD – TWO TRAFFIC LANES IN EACH DIRECTION**

- The connecting sub-regional road network (Richardson Road and Medowie Road at the RAAF Base) are only two lanes.
- Retaining two lanes is estimated to provide for operation 'at or near capacity' at no cost (at peak times). This is based on achieving full growth and is the 'worst case' scenario.
- Upgrading to four lanes has a high cost to provide only a 'satisfactory' level of service (at peak hour).
- Upgrading to four lanes is a considerable cost to Council which will be required to bear approximately 57% (\$5.84M) and there is no guarantee that full growth will be achieved.
- Upgrading to four lanes is a considerable cost to new development which will be required to bear approximately 43% (\$4.41M).
- The cost and benefits of upgrading this section of Medowie Road should be considered with resourcing a range of other potential infrastructure upgrades.

The following table summarises the estimated level of service provided for Medowie Road under existing and future upgrade scenarios (peak hour one way):

	<b>Vehicles/hour</b>	<b>No. of Lanes</b>	<b>Level of Service</b>	<b>Estimated Cost</b>
Existing Traffic Volume	630 veh/hr	2	B/C good/satisfactory	N/A
Future Traffic Volumes	1400 veh/hr	2 (no upgrade)	D/E near capacity/at capacity	Nil
Future Traffic Volumes	1400 veh/hr	4 (upgrade)	C satisfactory	\$10.25M

Considering the above, the cost of upgrading Medowie Road (Ferodale Road to Richardson Road) to four lanes would need to be further justified through a sub-regional traffic assessment.

**ITEM NO. 5**

**FILE NO: PSC2015-01000V2/042  
TRIM REF NO: PSC2014-03162**

**PORT STEPHENS COUNCIL ANNUAL REPORT 2014-2015**

REPORT OF: FRAN FLAVEL - CORPORATE STRATEGY & PLANNING  
MANAGER  
GROUP: GENERAL MANAGER'S OFFICE

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**RECOMMENDATION IS THAT COUNCIL:**

- 1) Adopt the Annual Report 2014-2015 Volumes 1 and 2 comprising a general report and audited financial statements as presented as **(TABLED DOCUMENTS 1 and 2)**.

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**ORDINARY COUNCIL MEETING - 24 NOVEMBER 2015  
COMMITTEE OF THE WHOLE RECOMMENDATION**

	<b>Councillor John Nell Councillor John Morello</b>  That the recommendation be adopted.
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**ORDINARY COUNCIL MEETING - 24 NOVEMBER 2015  
MOTION**

<b>363</b>	<b>Councillor John Nell Councillor Ken Jordan</b>  It was resolved that Council adopt the Annual Report 2014-2015 Volumes 1 and 2 comprising a general report and audited financial statements as presented as <b>(TABLED DOCUMENTS 1 and 2)</b> .
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**BACKGROUND**

The purpose of this report is to present the Port Stephens Council Annual Report 2014-2015, which is in two volumes. Volume 1 provides details of Council's progress in implementing its Delivery Program 2013-2017 and Operational Plan 2014-2015. Volume 2 provides Council's audited financial statements for 2014-2015.

**COMMUNITY STRATEGIC PLAN**

<b>Strategic Direction</b>	<b>Delivery Program 2015-2019</b>
Port Stephens has strong governance and civic leadership.	Manage the civic leadership and governance functions of Council. Manage relationships with all levels of government, stakeholder organisations and Hunter Councils Inc.

**FINANCIAL/RESOURCE IMPLICATIONS**

Volume 2 of the Annual Report 2014-2015 contains the audited accounts of Council. Volume 1 contains a summary of financial performance for the period together with details of Council's results against key performance indicators, and its capital expenditure and governance across the whole of Council's operations.

The adopted Annual Report 2014-2015 will be placed on Council's website and hard copies distributed to Council's libraries, the State Library of New South Wales and the Office of Local Government.

<b>Source of Funds</b>	<b>Yes/No</b>	<b>Funding (\$)</b>	<b>Comment</b>
Existing budget	Yes		Production and distribution of the annual report is covered within the existing budget.
Reserve Funds	No		
Section 94	No		
External Grants	No		
Other	No		

**LEGAL, POLICY AND RISK IMPLICATIONS**

Section 428(1) of the *Local Government Act 1993* states:

"Within 5 months after the end of each year, a council must prepare a report (its annual report) for that year, reporting as to its achievements in implementing its delivery program and the effectiveness of the principal activities undertaken in achieving the objectives at which those principal activities are directed."

Volume 2 of the Annual Report 2014-2015 has been prepared in accordance with that section.

Section 428(4)(a) states:

## MINUTES ORDINARY COUNCIL - 24 NOVEMBER 2015

"The Annual Report must contain a copy of the council's audited financial reports prepared in accordance with the Local Government Code of Accounting Practice and Financial Reporting, published by the Office of Local Government, as in force from time to time." Volume 2 of the Annual Report 2014-2015 has been prepared in accordance with that section.

The Annual Report 2014-2015 complies with all legislative requirements contained in the Act and the Regulations.

<b>Risk</b>	<b><u>Risk Ranking</u></b>	<b>Proposed Treatments</b>	<b>Within Existing Resources?</b>
There is a risk that failure to provide the Annual Report within the legislated timeframe could lead to financial and reputational loss.	Low	Council adopt the Annual Report 2014-2015 Volumes 1 and 2.	Yes

### **SUSTAINABILITY IMPLICATIONS**

Includes Social, Economic and Environmental Implications

The Annual Report 2014-2015 provides information on Council's performance across a range of social, economic and environmental indicators; and it provides details of the principal activities of Council against the actions in the Operational Plan 2014-2015, which was formulated using the four pillars of sustainability.

### **CONSULTATION**

- 1) The Annual Report 2014-2015 was compiled from information gathered across Council.

### **OPTIONS**

- 1) Accept the recommendation.
- 2) Amend the recommendation.
- 3) Reject the recommendation.

### **ATTACHMENTS**

Nil.

### **COUNCILLORS ROOM**

Nil.

### **TABLED DOCUMENTS**

- 1) Port Stephens Council Annual Report 2014-2015 Volume 1.
- 2) Port Stephens Council Annual Report 2014-2015 Volume 2.

**ITEM NO. 6**

**FILE NO: PSC2015-01000/995  
TRIM REF NO: PSC2005-4217**

**2014-2015 ANNUAL FINANCIAL REPORTS**

REPORT OF: TIM HAZELL - FINANCIAL SERVICES SECTION MANAGER  
GROUP: CORPORATE SERVICES

**RECOMMENDATION IS THAT COUNCIL:**

- 1) Adopt the 2014-2015 Annual Financial Reports and accept the Auditor's Report, as submitted by Pitcher Partners.
- 2) Place the audited Annual Financial Reports for the year ended 30 June 2015, together with the Auditor's report, on public exhibition for the prescribed period of time.

**ORDINARY COUNCIL MEETING - 24 NOVEMBER 2015  
COMMITTEE OF THE WHOLE RECOMMENDATION**

	<p><b>Councillor Ken Jordan Councillor Sally Dover</b></p> <p>That the recommendation be adopted.</p>
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**ORDINARY COUNCIL MEETING - 24 NOVEMBER 2015  
MOTION**

<b>364</b>	<p><b>Councillor John Nell Councillor Ken Jordan</b></p> <p>It was resolved that Council:</p> <ol style="list-style-type: none"><li>1) Adopt the 2014-2015 Annual Financial Reports and accept the Auditor's Report, as submitted by Pitcher Partners.</li><li>2) Place the audited Annual Financial Reports for the year ended 30 June 2015, together with the Auditor's report, on public exhibition for the prescribed period of time.</li></ol>
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**BACKGROUND**

The purpose of this report is to advise Council that Council Officers have prepared the 2014-2015 Annual Financial Reports in accordance with Australian Accounting Standards, the *Local Government Act 1993* (as amended) and associated regulations, and the *Local Government Code of Accounting Practice*.

## MINUTES ORDINARY COUNCIL - 24 NOVEMBER 2015

The Annual Financial Reports have been reviewed by Council's auditors (Pitcher Partners) and the Audit Committee, and this report is to formally present Council's Annual Financial Reports for the year ended 30 June 2015, together with the Auditor's report, to the public in accordance with section 419 of *Local Government Act 1993* (as amended).

Public notice of the presentation of the audited Annual Financial Reports has been advertised in The Examiner on 12 November 2015 and copies of the Annual Financial Reports have been made available at the Customer Service desk, Raymond Terrace Library, Tomaree Library and on Council's website.

The Annual Financial Reports, including the audit reports, have been circulated separately to Councillors for their information and a Two Way Conversation was held on 10 November 2015, with a representative from Pitcher Partners in attendance to discuss the reports.

Included with the report is **(ATTACHMENT 1)** which shows the financial result for all Holiday Parks operated by Council, together with the financial result for Council's Investment Property Portfolio and the Newcastle Airport.

### COMMUNITY STRATEGIC PLAN

Strategic Direction	Delivery Program 2015-2019
Port Stephens Council's services and assets are sustainable in the longer term.	<p>Council will reduce its underlying deficit to break even in 2014-2015 financial year.</p> <p>Council will increase its revenue from non-rates sources.</p> <p>Manage risks across Council.</p> <p>Attract, retain and develop staff to meet current and future workforce needs.</p> <p>Provide enabling business support services for Council's operations.</p>

### FINANCIAL/RESOURCE IMPLICATIONS

Source of Funds	Yes/No	Funding (\$)	Comment
Existing budget	Yes		
Reserve Funds	No		
Section 94	No		
External Grants	No		
Other	No		

**LEGAL, POLICY AND RISK IMPLICATIONS**

<b>Risk</b>	<b><u>Risk Ranking</u></b>	<b>Proposed Treatments</b>	<b>Within Existing Resources?</b>
There is a risk that the Annual Financial Reports are not submitted to the Office of Local Government within the statutory timeframe.	Low	The Annual Financial Reports have been submitted to the Office of Local Government.	Yes

**SUSTAINABILITY IMPLICATIONS**

Includes Social, Economic and Environmental Implications

Completion of the Annual Financial Reports provides Council with the information needed to facilitate prudent financial management decision making which will have a positive impact on the community.

**CONSULTATION**

- 1) Pitcher Partners (external auditors).
- 2) Audit Committee.
- 3) Executive Leadership Team.
- 4) Office of Local Government.
- 5) Public exhibition.

**OPTIONS**

- 1) Accept the recommendations.
- 2) Amend the recommendations.
- 3) Reject the recommendations.

**ATTACHMENTS**

- 1) Holiday parks and investments property report.

**COUNCILLORS ROOM**

- 1) 2014-2015 Annual Financial Reports.

**TABLED DOCUMENTS**

Nil.

ITEM 6 - ATTACHMENT 1  
REPORT.

HOLIDAY PARKS AND INVESTMENTS PROPERTY

Port Stephens Council  
Holiday Parks & Investment Property Report  
Financial Year 2014/2015

Holiday Parks	Income	Expenditure	EBITDA (\$)	Net Yield % (3)	Notes
Fingal Bay	3,756,400	2,738,746	1,017,654	15%	1
Halfax	2,740,776	2,175,199	565,577	18%	1
Shoal Bay	985,256	720,097	265,159	9%	1
	<u>1,829,761</u>	<u>1,337,323</u>	<u>492,437</u>		
	2,815,016	2,057,420	757,596		
Thou Walla	793,628	766,424	27,202	0.5%	1 & 4
TreEscape	355,266	384,505	(29,239)	0%	1 & 4

Investment Property	Income	Expenditure	Profit / (Loss)	Net Yield %
Total	2,711,100	927,649	1,783,451	9%

Newcastle Airport	Income	Expenditure	Profit / (Loss)	Net Yield %
Total	11,847,638	9,689,959	2,157,679	7%

Notes

- 1 Yield returns were affected by the April Storm
- 2 Councils policy on the required return on capital in commercial property investments is between 7-9%
- 3 Net Yield = EBITDA / capital
- 4 Returns are in line with the business case for these parks which are in startup phase of their business lifecycle
- 5 EBITDA used as the numerator for Return on Investment calculation in accordance with Crown Lands reporting



**ITEM NO. 7**

**FILE NO: PSC2015-01000/938  
TRIM REF NO: A2004-0242**

**QUARTERLY BUDGET REVIEW AS AT 30 SEPTEMBER 2015**

REPORT OF: TIM HAZELL - FINANCIAL SERVICES SECTION MANAGER  
GROUP: CORPORATE SERVICES

**RECOMMENDATION IS THAT COUNCIL:**

- 1) Approve the discretionary changes to the adopted budget as detailed in **(ATTACHMENT 1)** presented as the 2015-2016 Quarterly Budget Review Statement - September 2015.
- 2) Adopt the 2015-2025 Integrated Plans as amended by the Quarterly Budget Review.

**ORDINARY COUNCIL MEETING - 24 NOVEMBER 2015  
COMMITTEE OF THE WHOLE RECOMMENDATION**

	<p><b>Councillor Paul Le Mottee Councillor Ken Jordan</b></p> <p>That the recommendation be adopted.</p>
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**ORDINARY COUNCIL MEETING - 24 NOVEMBER 2015  
MOTION**

<b>365</b>	<p><b>Councillor John Nell Councillor Ken Jordan</b></p> <p>It was resolved that Council:</p> <ol style="list-style-type: none"><li>1) Approve the discretionary changes to the adopted budget as detailed in <b>(ATTACHMENT 1)</b> presented as the 2015-2016 Quarterly Budget Review Statement - September 2015.</li><li>2) Adopt the 2015-2025 Integrated Plans as amended by the Quarterly Budget Review.</li></ol>
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**BACKGROUND**

The purpose of this report is to amend the budget by bringing to Council's attention the proposals and issues that have an impact on the 2015-2016 budget that are detailed in the Quarterly Budget Review Statement - September 2015. This

## MINUTES ORDINARY COUNCIL - 24 NOVEMBER 2015

statement sets out the details of variations between Council's original budget and the proposed budget as part of the September Quarterly Budget Review.

Council considered its Integrated Strategic Plans on 26 May 2015 (Minute No. 135) and these plans include the budget estimates for the 2015-2016 financial year.

### COMMUNITY STRATEGIC PLAN

Strategic Direction	Delivery Program 2015-2019
Port Stephens Council's services and assets are sustainable in the longer term.	<p>Council will reduce its underlying deficit to break even in 2014-2015 financial year.</p> <p>Council will increase its revenue from non-rates sources.</p> <p>Manage risks across Council.</p> <p>Attract, retain and develop staff to meet current and future workforce needs.</p> <p>Provide enabling business support services for Council's operations.</p>

### FINANCIAL/RESOURCE IMPLICATIONS

Council's anticipated underlying result is as follows:

	Surplus (\$)	Deficit
Budget 2015-2016	1.29M	
September Review	1.47M	

Source of Funds	Yes/No	Funding (\$)	Comment
Existing budget	Yes		
Reserve Funds	No		
Section 94	No		
External Grants	No		
Other	No		

**LEGAL, POLICY AND RISK IMPLICATIONS**

<b>Risk</b>	<b><u>Risk Ranking</u></b>	<b>Proposed Treatments</b>	<b>Within Existing Resources?</b>
There is a risk that the underlying operating result may return to a deficit.	Medium	Long Term Financial Plan established to reach break-even point.	Yes

**SUSTAINABILITY IMPLICATIONS**

Includes Social, Economic and Environmental Implications

Council's budget is fundamental for operational sustainability and to the provision of facilities and services to the community.

**CONSULTATION**

- 1) Executive Leadership Team.

**OPTIONS**

- 1) Accept the recommendations.
- 2) Amend the recommendations.
- 3) Reject the recommendations.

**ATTACHMENTS**

- 1) 2015-2016 Quarterly Budget Review Statement - September 2015.

**COUNCILLORS ROOM**

Nil.

**TABLED DOCUMENTS**

Nil.



"A great lifestyle in a  
treasured environment"

**2015 – 2016  
Quarterly Budget Review Statement – Sept 2015**

**ITEM 7 - ATTACHMENT 1 2015-2016 QUARTERLY BUDGET REVIEW  
STATEMENT - SEPTEMBER 2015.**

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ITEM 7 - ATTACHMENT 1 2015-2016 QUARTERLY BUDGET REVIEW STATEMENT - SEPTEMBER 2015.

1. Executive Summary

Categorising the changes by Group:

- **Corporate Services** – The operating budget changes in this group were \$247k (Favourable). Income was increased to account for increases in the federal assistance grant originally forecasted. Employment costs were increased to account for the reallocation of staff from F&S which were offset by a decrease in workers compensation insurance. Budget carry overs from the previous financial year (unspent budgets) have been included in the capital budget to account for capital works on the Holiday Parks and Property Development at Salamander Grove.
- **Development Services** – The net changes within this group amounted to \$130k (Favourable). The changes in this Group centred on revised forecasts in inspection fees and development advertisement fees income being offset with increased expenditure for employment costs. No budget carry overs have been applied.
- **Facilities & Services** - The operating budget changes in this group were \$64K (Unfavourable). Changes in the operating expenditure budget were driven by changes in service contracts for Pools and Surf lifesaving which have been offset by staff reallocations and an increase in the forecasted revenue.  
Changes in the capital budget were \$5.1M (Unfavourable) which consists of September revisions of \$3.3M and budget carry overs from the prior year of \$1.8M. Budget carry overs mainly relate to the sport & recreation area for playgrounds, amenities and foreshore redevelopments. These budget carry overs are funded by internal reserves and unspent grant funds. September changes relate to the upgrade of Henderson Park, Seaham boat ramp, drainage studies and blackspot projects. All these changes are funded from additional capital revenue. This review also includes an accounting adjustment for road reseals, with the offsetting adjustments to the operating budget to be made in the December quarter review.
- **General Managers Office** – No changes to the September budget are suggested.

This document forms part of Port Stephens Council's Quarterly Budget Review Statement for the quarter ended 30/9/2015 and should be read in conjunction with other documents in the QBRs.

ITEM 7 - ATTACHMENT 1 2015-2016 QUARTERLY BUDGET REVIEW STATEMENT - SEPTEMBER 2015.

Operating Budget	2015 Original Budget \$000	Budget revotes & carry forwards	Budget Revision Sept Qtr \$000	Budget Revision Dec Qtr \$000	Budget Revision Mar Qtr \$000	Budget Revision Jun Qtr \$000	2015 Revised Budget Full Year \$000	2015 YTD Actuals \$000
Corporate Services	41,106	-	247	-	-	-	41,353	36,247
Development Services	(7,318)	(26)	130	-	-	-	(7,214)	(1,240)
General Managers Office	(2,738)	(106)	-	-	-	-	(2,844)	(532)
Facilities & Services	(27,762)	-	(64)	-	-	-	(27,826)	2,205
<b>Total</b>	<b>3,288</b>	<b>(133)</b>	<b>313</b>	-	-	-	<b>3,468</b>	<b>36,680</b>
Newcastle Airport	3,278	-	-	-	-	-	3,278	-
<b>Total *</b>	<b>6,566</b>	<b>(133)</b>	<b>313</b>	-	-	-	<b>6,746</b>	<b>36,680</b>

Capital Budget	2015 Original Budget \$000	Budget revotes & carry forwards	Budget Revision Sept Qtr \$000	Budget Revision Dec Qtr \$000	Budget Revision Mar Qtr \$000	Budget Revision Jun Qtr \$000	2015 Revised Budget Full Year \$000	2015 YTD Actuals \$000
Corporate Services	(5,479)	(3,817)	55	-	-	-	(9,241)	(2,745)
Development Services	2,618	-	-	-	-	-	2,618	1,100
General Managers Office	-	-	-	-	-	-	-	-
Facilities & Services	(9,251)	(1,838)	(3,309)	-	-	-	(14,398)	(4,934)
<b>Total *</b>	<b>(12,112)</b>	<b>(5,655)</b>	<b>(3,254)</b>	-	-	-	<b>(21,021)</b>	<b>6,579</b>

Note - + = inflow () = outflow

\* Please note figures are rounded to thousands

This document forms part of Port Stephens Council's Quarterly Budget Review Statement for the quarter ended 30/9/2015 and should be read in conjunction with other documents in the QBRS.

ITEM 7 - ATTACHMENT 1 2015-2016 QUARTERLY BUDGET REVIEW STATEMENT - SEPTEMBER 2015.

**2. Introduction**

Clause 203(1) of the Local Government (General) Regulation 2005 requires Council's responsible accounting officer to prepare and submit a Quarterly Budget Review Statement (QBRs) to Council. The QBRs must show, by reference to the estimated income & expenditure that is set out in the operational plan, a revised estimate of income and expenditure for the year.

It also requires the QBRs to include a report by the responsible accounting officer as to whether or not the statement indicates Council to be in a satisfactory financial position, with regard to Council's original budget.

Council's operational plan sets out the achievements, goals and revenue policy, including estimates of income and expenditure. The QBRs plays an important role in monitoring Council's progress against the plan and ongoing management of the annual budget.

The QBRs is the mechanism whereby Councillors and the community are informed of Council's progress against the operational plan (original budget) and the recommended changes and reasons for major variances.

The QBRs is composed of the following components:

- Responsible Accounting Officer Statement;
- Income & Expenses Budget Review Statement;
- Capital Budget Review Statement;
- Cash Flow Statement Review;
- Budget Review Contracts and Other Expenses.



ITEM 7 - ATTACHMENT 1 2015-2016 QUARTERLY BUDGET REVIEW STATEMENT - SEPTEMBER 2015.

**3. Responsible Accounting Officer's Statement**

The Regulations require that a budget review statement must include or be accompanied by a report as to whether or not the Responsible Accounting Officer (RAO) believes that the QBRs indicates that Council's financial position is satisfactory, having regard to the original estimate of income and expenditure. If Council's financial position is considered by the RAO to be unsatisfactory, then recommendations for remedial action must be included.

The following statement is made in accordance with clause 203(2) of the Local Government (General) Regulations 2005.

It is my opinion that the Quarterly Budget Review Statement for Port Stephens Council for the quarter end 30/9/2015 indicates that Council's projected financial position at 30/9/2015 will be satisfactory at year end, having regard to the projected estimates of income and expenditure and the original budgeted income and expenditure.

Name: Tim Hazell

Responsible Accounting Officer, Port Stephens Council

This document forms part of Port Stephens Council's Quarterly Budget Review Statement for the quarter ended 30/9/2015 and should be read in conjunction with other documents in the QBRs.

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4. Income & Expenses Budget Review Statement

Consolidated	2015 Original Budget \$000	Budget revokes & carry forwards	Budget Revision Sept Qtr \$000	Budget Revision Dec Qtr \$000	Budget Revision Mar Qtr \$000	Budget Revision Jun Qtr \$000	2015 Revised Budget Full Year \$000	2015 YTD Actuals \$000	% spent or earned
Rates & Annual Charges	51,389	-	62	-	-	-	51,451	51,612	100%
User Charges & Fees Income	37,471	-	152	-	-	-	37,623	4,538	12%
Interest & Investment Income	1,785	-	-	-	-	-	1,785	241	14%
Other Income	7,991	-	113	-	-	-	8,104	1,656	20%
Grants and Cont.	12,892	-	78	-	-	-	12,970	5,005	39%
Grants and Cont. (Capital)	8,288	-	364	-	-	-	8,652	1,187	14%
Gain on Sale	1,750	-	-	-	-	-	1,750	-	0%
<b>Total Revenue</b>	<b>121,566</b>	-	<b>769</b>	-	-	-	<b>122,335</b>	<b>64,239</b>	<b>53%</b>
Employee Costs	37,394	-	(217)	-	-	-	37,177	9,595	26%
Borrowing Costs	915	-	-	-	-	-	915	179	20%
Materials & Contractis	39,532	26	510	-	-	-	40,068	10,035	25%
Other Expenses	12,297	106	(201)	-	-	-	12,202	2,820	23%
Depreciation	16,573	-	-	-	-	-	16,573	3,743	23%
<b>Total Expenditure</b>	<b>106,711</b>	<b>133</b>	<b>92</b>	-	-	-	<b>106,936</b>	<b>26,371</b>	<b>25%</b>
<b>Operating Surplus/(Deficit) after capital grants</b>	<b>14,856</b>	<b>(133)</b>	<b>677</b>	-	-	-	<b>15,400</b>	<b>37,867</b>	-
<b>Operating Surplus/(Deficit) before capital grants</b>	<b>6,566</b>	<b>(133)</b>	<b>313</b>	-	-	-	<b>6,746</b>	<b>36,680</b>	-
Less: NAL Surplus	(3,278)	-	-	-	-	-	(3,278)	0	-
Less: LIRS principal repayment 1	(87)	-	-	-	-	-	(87)	0	-
Less: LIRS principal repayment 2	(161)	-	-	-	-	-	(161)	0	-
Less: Gain on sale	(1,750)	-	-	-	-	-	(1,750)	0	-
<b>Underlying Operating Surplus/(Deficit)</b>	<b>1,290</b>	<b>(133)</b>	<b>313</b>	-	-	-	<b>1,470</b>	<b>36,680</b>	-

Notes:  
 1. Revised Budget = Original Budget +/- approved budget changes in previous quarters. 2. Proposed Budget = Revised Budget +/- recommended changes this quarter.

Council's original operating budget for 2015/16 was incorporated as part of the Integrated Plans and was adopted by Council on 26 May 2015.

This document forms part of Port Stephens Council's Quarterly Budget Review Statement for the quarter ended 30/9/2015 and should be read in conjunction with other documents in the QBRs.

**ITEM 7 - ATTACHMENT 1 2015-2016 QUARTERLY BUDGET REVIEW STATEMENT - SEPTEMBER 2015.**

This statement sets out the details of variations between Council's original operating budget and the revised budget as part of the September Quarterly Budget Review. There are a number of budgetary changes proposed across the Council budget which have delivered Council's Underlying Operating result. This has altered from an original projected surplus of \$1.290 million to a projected surplus of \$1.470 million.

Note that for budgetary changes: **F** = favourable budget change, **U** = unfavourable budget change.

<b>REVENUE</b>	<b>\$'000</b>	<b>Budget Change F/U</b>
<b>Rates and Annual Charges</b>	<b>62</b>	<b>F</b>
The increase in rates and annual charges is due to revised income from waste services and resource recovery charges.		
<b>User Charges and Fees</b>	<b>152</b>	<b>F</b>
User charges have been increased to account for the increase in the forecasted income from development application fees.		
<b>Grants and Contributions provided for Operating Purposes</b>	<b>78</b>	<b>F</b>
Grant income has been revised to account for the increase in the Federal Assistance Grant and Roads to Recovery grant.		
<b>Interest and Investment Revenue</b>	<b>-</b>	<b>-</b>
No Change		

This document forms part of Port Stephens Council's Quarterly Budget Review Statement for the quarter ended 30/9/2015 and should be read in conjunction with other documents in the QBRs.

**ITEM 7 - ATTACHMENT 1 2015-2016 QUARTERLY BUDGET REVIEW STATEMENT - SEPTEMBER 2015.**

<b>Other Revenues</b>	<b>113</b>	<b>F</b>
There has been an increase in other revenue to account for annual pool membership income.		
<b>Grants and Contributions provided for Capital Purposes</b>	<b>364</b>	<b>F</b>
Capital income has been increased for the following		
1. \$151k for RMS blackspot projects		
2. \$160k for drainage studies		
3. \$31k for public works contributions		
4. \$1M mainly for the Henderson Park and Seaham boat ramp upgrades		
5. These increases in budgeted capital revenue are offset by a decrease in the expected contributions from sub division dedications of \$1M. This adjustment is a non-cash transaction and is being processed for accounting purposes only.		
<b>Net Gains from the Disposal of Assets</b>	.	.
No Change		

This document forms part of Port Stephens Council's Quarterly Budget Review Statement for the quarter ended 30/9/2015 and should be read in conjunction with other documents in the QBRS.

ITEM 7 - ATTACHMENT 1 2015-2016 QUARTERLY BUDGET REVIEW STATEMENT - SEPTEMBER 2015.

EXPENDITURE	\$'000	Budget Change F/U
<b>Borrowing Costs</b>	-	-
No Change		
<b>Depreciation and Amortisation</b>	-	-
No Change – A change will be processed in the December quarter to account for a change in the road reseals program		
<b>Employee Benefits and On-Costs</b>	(217)	F
Employee costs have decreased due to a saving in workers compensation insurance		
<b>Materials and Contracts</b>	510	U
Increased expenditure on Contractor & Materials is mainly due to the following areas: 1) An increase in contractor costs to account for the new Pools and surf lifesaving service contracts - 315k 2) A reallocation of 190k from insurance premium costs to vacant position advertising		
<b>Other Expenses</b>	201	F
Other expenses have decreased due to a reduction in insurance premiums which have been reallocated to materials and contracts for vacant position advertising.		

This document forms part of Port Stephens Council's Quarterly Budget Review Statement for the quarter ended 30/9/2015 and should be read in conjunction with other documents in the QBR.

ITEM 7 - ATTACHMENT 1 2015-2016 QUARTERLY BUDGET REVIEW STATEMENT - SEPTEMBER 2015.

5. Capital Budget Review Statement

Consolidated	2015 Original Budget \$000	Budget revotes & carry forwards \$000	Budget Revision Sept Qtr \$000	Budget Revision Dec Qtr \$000	Budget Revision Mar Qtr \$000	Budget Revision Jun Qtr \$000	2015 Revised Budget Full Year \$000	2015 YTD Actuals \$000
Grants and Cont (Capital)	8,288,952	-	363,790				8,652,742	1,186,778
<b>Total Receipts</b>	<b>8,288,952</b>	<b>-</b>	<b>363,790</b>				<b>8,652,742</b>	<b>1,186,778</b>
Capitalised Labour	-	-	-				-	-
Capital Materials & Contracts	12,216,956	1,838,819	3,169,200				17,224,975	3,285,765
Capital Acquisition & Development	8,184,213	3,817,014	448,721				12,449,948	4,481,553
Other	-	-	-				-	-
<b>Total Payments</b>	<b>20,401,169</b>	<b>5,655,833</b>	<b>3,617,921</b>				<b>29,674,923</b>	<b>7,767,318</b>
Add back changes supported by cash reserves								
<b>Capital Surplus/(Deficit)</b>	<b>(12,112,217)</b>	<b>(5,655,833)</b>	<b>(3,254,131)</b>				<b>(21,022,181)</b>	<b>(6,580,540)</b>

This statement sets out the details of variations between Council's revised capital budget and the June Quarterly Budget Review. There are budgetary changes proposed which result in an increase within capital expenditure of \$3.6M for September and \$5.6M in budget revotes from the prior financial year.

Funding Source - September Revision

The budget changes for September include \$1.8M due to a change in accounting treatment for road reseals. These reseals were previously recognised under maintenance in the operating budget. The corresponding change to the maintenance in the operating budget will be submitted in the December QBR once the annual financials are fully completed. A further \$500k is funded from the Fleet reserve and the remaining portion relating to capital grants for flood studies (\$160k), blackspot funding (\$151k) and Henderson Park upgrades (900k).

Funding Source - Budget revotes

The revotes relate to capital projects where in progress prior to 30 June 2015 or did not start before 30 June and as such the remaining budgets are being rolled into the new financial year. Of the \$5.6M in budget revotes \$3.9M is being funded from Crown reserve and Property reserve. The remaining \$1.8M is being funded from the various internal reserves and unspent grants. Note that for budgetary changes: **F** = favourable budget change, **U** = unfavourable budget change.

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ITEM 7 - ATTACHMENT 1 2015-2016 QUARTERLY BUDGET REVIEW STATEMENT - SEPTEMBER 2015.

	Budget Change	
	\$'000	F/U
<b>INCOME</b>		
<b>Capital Grants</b>	<b>364</b>	<b>F</b>
Capital income has been increased for the following		
1. \$151k for RMS blackspot projects		
2. \$160k for drainage studies		
3. \$31k for public works contributions		
4. \$1M mainly for the Henderson Park and Seaham boat ramp upgrades		
5. These increases in budgeted capital revenue are offset by a decrease in the expected contributions from sub division dedications of \$1M. This adjustment is a non-cash transaction and is being processed for accounting purposes only.		
<b>EXPENDITURE</b>		
<b>Capital Acquisition and Development</b>	<b>448</b>	<b>U</b>
Capital acquisitions relates to the increase in required fleet replacement program. This increase will be offset against the fleet reserve.		
<b>Capital Materials and Contracts</b>	<b>3,169</b>	<b>U</b>
Capital costs have been increased to account for the capital revenue projects listed above in 1-4 as well as the accounting change for the road reseals program of 1.8M which was previously accounted for in the operating budget. The change to the operating budget will be performed in the December QBR once the annual financials are finalised.		

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ITEM 7 - ATTACHMENT 1 2015-2016 QUARTERLY BUDGET REVIEW STATEMENT - SEPTEMBER 2015.

The capital works program by section is as follows:

	Original Budget \$'000	Budget Revotes & carry forwards \$'000	Budget Revision Sept \$'000	Budget Revision Dec \$'000	Budget Revision Mar \$'000	Revised Budget \$'000	Actual 30-Sep-15 \$'000
<b>Capital Funding</b>							
Capital Grants & Contributions	8,288	0	364	0	0	8,652	1,187
<b>Total Capital Funding</b>	<b>8,288</b>	<b>0</b>	<b>364</b>	<b>0</b>	<b>0</b>	<b>8,652</b>	<b>1,187</b>
<b>Capital Expenditure</b>							
<b>Corporate Services Group</b>							
<b>Commercial Property</b>							
Fingal Bay Holiday Park	968	2,055	(55)	0	0	2,968	428
Halifax Holiday Park	350	456	0	0	0	806	15
Shoal Bay Holiday Park	575	219	0	0	0	794	44
Thou Walla Sunset Retreat	0	75	0	0	0	75	0
TreEscape	155	0	0	0	0	155	102
Office and Chambers	394	0	0	0	0	394	24
Property Development	2615	783	0	0	0	3,398	1861
Property Services Section Manager	0	100	0	0	0	100	0
Property Investments	27	0	0	0	0	27	141
<b>Commercial Property Total</b>	<b>5,084</b>	<b>3,743</b>	<b>(55)</b>	<b>0</b>	<b>0</b>	<b>8,772</b>	<b>2,605</b>
<b>Business System Support</b>							
Business Improvement Technology	395	74	0	0	0	469	140
<b>Business System Support Total</b>	<b>395</b>	<b>74</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>469</b>	<b>140</b>
<b>Corporate Services Total</b>	<b>5,479</b>	<b>3,817</b>	<b>(55)</b>	<b>0</b>	<b>0</b>	<b>9,241</b>	<b>2,745</b>

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	Original Budget \$'000	Budget Revotes & carry forwards \$'000	Budget Revision Sept \$'000	Budget Revision Dec \$'000	Budget Revision Mar \$'000	Revised Budget \$'000	Actual 30-Sep-15 \$'000
<b>Facilities and Services</b>							
<b>Civil Assets</b>							
Civil Projects	0	0	0	0	0	0	0
Community and Recreational Assets	0	184	0	0	0	184	59
Drainage	0	0	383	0	0	383	13
<b>Civil Assets Total</b>	<b>0</b>	<b>184</b>	<b>383</b>	<b>0</b>	<b>0</b>	<b>567</b>	<b>72</b>
<b>Community and Recreation</b>							
Library Services	250	0	0	0	0	250	29
State Emergency Services	0	0	0	0	0	0	0
<b>Community and Recreation Total</b>	<b>250</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>250</b>	<b>29</b>
<b>Capital Works</b>							
Capital Works Construction	12,217	1,654	2,787	0	0	16,658	3,213
<b>Capital Works Total</b>	<b>12,217</b>	<b>1,654</b>	<b>2,787</b>	<b>0</b>	<b>0</b>	<b>16,658</b>	<b>3,213</b>
<b>Public Domain and Services</b>							
Building Trades	0	0	0	0	0	0	0
Depots	0	0	0	0	0	0	0
Fleet Maintenance	2,455	0	504	0	0	2,959	1,707
<b>Public Domain and Services total</b>	<b>2,455</b>	<b>0</b>	<b>504</b>	<b>0</b>	<b>0</b>	<b>2,959</b>	<b>1,707</b>
<b>Facilities and Services Total</b>	<b>14,922</b>	<b>1,838</b>	<b>3,674</b>	<b>0</b>	<b>0</b>	<b>20,434</b>	<b>5,021</b>
<b>Total Capital Expenditure</b>	<b>20,401</b>	<b>5,655</b>	<b>3,619</b>	<b>0</b>	<b>0</b>	<b>29,620</b>	<b>7,767</b>
<b>Net Outlay</b>	<b>12,113</b>	<b>5,655</b>	<b>3,254</b>	<b>0</b>	<b>0</b>	<b>21,021</b>	<b>6,579</b>

This document forms part of Port Stephens Council's Quarterly Budget Review Statement for the quarter ended 30/9/2015 and should be read in conjunction with other documents in the QBRs.

ITEM 7 - ATTACHMENT 1 2015-2016 QUARTERLY BUDGET REVIEW STATEMENT - SEPTEMBER 2015.

6. Cash Flow Statement	Original Budget \$'000	Revotes Carried Forward \$'000	Budget Revision Sept \$'000	Budget Revision Dec \$'000	Budget Revision Mar \$'000	Revised Budget \$'000
<b>Cash Flows from Operating Activities</b>						
<b>Receipts:</b>						
Rates & Annual Charges	49,350	-	62	-	-	49,412
User Charges & Fees	35,759	-	152	-	-	35,911
Interest & Investment Revenue Received	1,642	-	-	-	-	1,642
Grants & Contributions	21,383	-	1,442	-	-	22,825
Other	6,090	-	-	-	-	6,090
<b>Payments:</b>						
Employee Benefits & On-Costs	(35,946)	-	217	-	-	(36,163)
Materials & Contracts	(34,734)	(106)	(510)	-	-	(35,350)
Borrowing Costs	(915)	-	-	-	-	(915)
Other	(15,294)	(26)	201	-	-	(15,119)
<b>Net Cash provided (or used In) Operating Activities</b>	<b>27,335</b>	<b>(133)</b>	<b>1,564</b>	<b>-</b>	<b>-</b>	<b>28,766</b>
<b>Cash Flows from Investing Activities</b>						
<b>Receipts:</b>						
Proceeds from disposal of Property Plant & Equipment	1,750	-	-	-	-	1,750
<b>Payments:</b>						
Purchase of Infrastructure, Property, Plant & Equipment	(20,401)	(5,655)	(3,618)	-	-	(29,674)
<b>Net Cash provided (or used In) Investing Activities</b>	<b>(18,651)</b>	<b>(5,655)</b>	<b>(3,618)</b>	<b>-</b>	<b>-</b>	<b>27,924</b>
<b>Cash Flows from Financing Activities</b>						
<b>Payments:</b>						
Repayment of Borrowings & Advances	(4,335)	-	-	-	-	(4,335)
<b>Net Cash Flow provided (used In) Financing Activities</b>	<b>(4,335)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(4,335)</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>	<b>4,349</b>	<b>(5,788)</b>	<b>(2,054)</b>	<b>-</b>	<b>-</b>	<b>(3,493)</b>
plus: Cash & Investments - beginning of year	**37,168	-	-	-	-	37,168
<b>Cash &amp; Investments - end of the year</b>	<b>**41,517</b>	<b>(5,788)</b>	<b>(2,054)</b>	<b>-</b>	<b>-</b>	<b>33,675</b>

\* - Affected by the April storm by approx. \$5M \*\* - includes cash from NAL of \$9,766

This document forms part of Port Stephens Council's Quarterly Budget Review Statement for the quarter ended 30/9/2015 and should be read in conjunction with other documents in the QBRs.

**ITEM 7 - ATTACHMENT 1 2015-2016 QUARTERLY BUDGET REVIEW STATEMENT - SEPTEMBER 2015.**

**Cash Flow Statement Funding Reconciliation**

The 'Recommended Changes to Budget' in the Sept QBR constitute an overall decrease in Council's Cash Flow position by \$2.054M. These changes are split across the Operating budget of \$313k (Favourable) and Capital Budget of \$2,367M - Unfavourable. The funding source for the capital budget change will be a reallocation from the operating budget which will be adjusted for next quarter.

The budget revotes represent an overall decrease in Council's Cash Flow position of \$5.788M. These changes are funded from the following areas.

Sourced from current year result:	126
Transfer from internally restricted cash:	2,144
Transfer from externally restricted cash:	3,518
	<u>5,788</u>

PSC is clearly solvent based on the current and estimated cash position from the September review changes. PSC's current cash position at the end of Sept was \$27.1M.

**7. Budget Review Contracts and Other Expenses**

Councillors are currently made aware of tenders of \$150,000 or more in accordance with legislation. However, Councillors should be made aware of other material contracts entered into by Council and details of other expenses that are of particular interest. To this end a contract listing and details of legal fees and consultancy expenses are included in the QBRs.

Part A lists contracts (other than employment contracts and contracts entered into from Council's preferred suppliers list) that:

- Were entered into during the quarter ending 30 Sept 2015; and
- Have a value equal to or more than \$50,000

Part B of the report shows expenditure as at 30 Sept 2015 for:

- Consultancies
- Legal fees

**ITEM 7 - ATTACHMENT 1 2015-2016 QUARTERLY BUDGET REVIEW STATEMENT - SEPTEMBER 2015.**

For the purposes of this report, a consultancy is defined as a person or organisation engaged under contract on a temporary basis to provide recommendation or high level specialist or professional advice to assist decision-making by management.

**Part A  
Contracts Listing**

No	Contractor	Contract Details and Purpose	Contract Value (\$)	Commencement date	Duration of contract (weeks)	Contract end date	Contract Status
RFQ04-2015	Trisley's Hydraulics	Lakeside Leisure Pool Maintenance	98,500	23/07/2015	3	10/08/2015	Active
RFQ05-2015	Jacobs	Anna Bay etc Flood Study	115,125	30/09/2015	48	28/08/2016	Contract finalisation
RFQ09-2015	RTC COMMERCIAL Services INC	RT Youth Centre repairs	69,500	24/08/2015	5	30/09/2015	Active
RFQ12-2015	Trust Pacific Facilities	Nelson Bay Skate park	95,000	22/09/2015	10	30/11/2015	Active
T07-2015	Mng	APZ & Mowing	70,208	1/07/2015	104	30/06/2017	Active

**Part B  
Consultancy & Legal Expenses**

Expense	Annual Budget (\$)	Expenditure YTD (\$)	Budgeted (Y/N)
Consultancies	526,745	62,612	Y
Legal Fees	753,901	105,746	Y

This document forms part of Port Stephens Council's Quarterly Budget Review Statement for the quarter ended 30/9/2015 and should be read in conjunction with other documents in the QBRs.

**ITEM NO. 8**

**FILE NO: PSC2015-01000/997  
TRIM REF NO: A2004-0242**

**2014-2015 BUDGET ITEMS CARRIED FORWARD**

REPORT OF: TIM HAZELL - FINANCIAL SERVICES SECTION MANAGER  
GROUP: CORPORATE SERVICES

**RECOMMENDATION IS THAT COUNCIL:**

- 1) Approve the revotes from the 2014-2015 budget as detailed in **(ATTACHMENT 1)** in this report and vote the necessary funds to meet expenditure.

**ORDINARY COUNCIL MEETING - 24 NOVEMBER 2015  
COMMITTEE OF THE WHOLE RECOMMENDATION**

	<p><b>Councillor Ken Jordan Councillor John Morello</b></p> <p>That the recommendation be adopted.</p>
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**ORDINARY COUNCIL MEETING - 24 NOVEMBER 2015  
MOTION**

<b>366</b>	<p><b>Councillor John Nell Councillor Ken Jordan</b></p> <p>It was resolved that Council approve the revotes from the 2014-2015 budget as detailed in <b>(ATTACHMENT 1)</b> in this report and vote the necessary funds to meet expenditure.</p>
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**BACKGROUND**

The purpose of this report is to advise of budget items from 2014-2015 that were not completed in that year and are proposed to be carried forward to 2015-2016.

**COMMUNITY STRATEGIC PLAN**

<b>Strategic Direction</b>	<b>Delivery Program 2015-2019</b>
Port Stephens Council's services and assets are sustainable in the longer term.	Council will reduce its underlying deficit to break even in 2014-2015 financial year. Council will increase its revenue from

## MINUTES ORDINARY COUNCIL - 24 NOVEMBER 2015

	<p>non-rates sources.          Manage risks across Council.          Attract, retain and develop staff to meet current and future workforce needs.          Provide enabling business support services for Council's operations.</p>
--	--

### FINANCIAL/RESOURCE IMPLICATIONS

The works included in this report were partially or wholly unexpended at the end of last financial year; however, the funds are not automatically carried forward and require Council resolution. The majority of the works are funded from reserves and grants, and has no negative impact on Council's Long Term Financial Plan.

Source of Funds	Yes/No	Funding (\$)	Comment
Existing budget	No		
Reserve Funds	Yes	3,993,840	Budget from 2014-2015.
Section 94	Yes	377,852	Budget from 2014-2015.
External Grants	Yes	291,734	Budget from 2014-2015.
Other	Yes	1,125,407	Budget from 2014-2015.

### LEGAL, POLICY AND RISK IMPLICATIONS

In accordance with the *Local Government Act 1993* and the *General Regulations 2005* all budgets lapse at the end of the financial year and require a Council resolution to be reinstated. Failure to reinstate these budget votes would result in these projects being cancelled.

Risk	<u>Risk Ranking</u>	Proposed Treatments	Within Existing Resources?
There is a risk that unspent grant funds may have to be returned.	Medium	Revote budget to allow projects to proceed.	Yes

### SUSTAINABILITY IMPLICATIONS

Includes Social, Economic and Environmental Implications

A budget forms part of the integrated planning approach to sustainable service delivery.

**CONSULTATION**

- 1) Executive Leadership Team.
- 2) Section Managers.

**OPTIONS**

- 1) Accept the recommendation.
- 2) Amend the recommendation.
- 3) Reject the recommendation.

**ATTACHMENTS**

- 1) Table of identified budget items and funding source.

**COUNCILLORS ROOM**

Nil.

**TABLED DOCUMENTS**

Nil.

ITEM 8 - ATTACHMENT 1 TABLE OF IDENTIFIED BUDGET ITEMS AND FUNDING SOURCE.

Table of identified budget items and funding source

Category	Project	Unspent Amount (\$)	Category Sub-total (\$)	Funding Source
<b>General Manager's Office</b>				
LGA	Councillor Services - Ward Funds	92,771		Revenue
LGA	Councillor Services - Mayoral Funds	13,967		Revenue
			<b>106,738</b>	
<b>Corporate Services</b>				
<b>Business Systems Support</b>				
Council	Sharepoint	74,667		Business Improvements Reserve
			<b>74,667</b>	
<b>Property Services</b>				
Salamander Bay	Salamander Waters Stage 1 - 360 Soldiers Point Road Salamander Bay	767,970		Unspent Loan Funds
Fingal Bay Holiday Park	Refurbishment of recreation room	50,000		Crown Parks Trust Reserve
Fingal Bay Holiday Park	Reconstruct amenities near recreation room	1,652,231		Crown Parks Trust Reserve
Fingal Bay Holiday Park	Replace barbeques, convert to gas & new structures	75,799		Crown Parks Trust Reserve
Fingal Bay Holiday Park	Convert 17 Holiday Van sites to 7 drive-through tourist van ensuite sites	139,765		Crown Parks Trust Reserve
Fingal Bay Holiday Park	Convert 8 Holiday Van sites to 7 new cabins	56,747		Crown Parks Trust Reserve
Fingal Bay Holiday Park	Replace damaged tourist van slabs - Stage 1	7,787		Crown Parks Trust Reserve
Fingal Bay Holiday Park	Road maintenance - resurfacing - Stage 1	53,739		Crown Parks Trust Reserve
Halifax Holiday Park	Renovation of amenities block	313,160		Crown Parks Trust Reserve
Halifax Holiday Park	Replace damaged tourist van slabs	18,275		Crown Parks Trust Reserve



ITEM 8 - ATTACHMENT 1 TABLE OF IDENTIFIED BUDGET ITEMS AND FUNDING SOURCE.

Category	Project	Unspent Amount (\$)	Category Sub-total (\$)	Funding Source
Shoal Bay Holiday Park	Replace boundary fence and landscape	100,000		Crown Parks Trust Reserve
Shoal Bay Holiday Park	Street Lighting - Pole replacement & upgrade project -Stage 1	13,857		Crown Parks Trust Reserve
Shoal Bay Holiday Park	Cabin refurbishment project	104,802		Crown Parks Trust Reserve
Thou Walla Sunset Retreat	Refurbishment of waterview villas - Stage 1	75,000		Property Reserve
TreEscape	Electrical works	155,288		Property Reserve
Fingal Bay Holiday Park	Wi-Fi installation	18,000		Crown Parks Trust Reserve
Halifax Holiday Park	Survey northern park boundary & construct new boundary fence	90,000		Crown Parks Trust Reserve
Halifax Holiday Park	Install 1 x 3 bedroom elevated villa	34,413		Crown Parks Trust Reserve
Raymond Terrace	King Street Master Plan	15,000		Property Reserve
			<b>3,741,833</b>	
<b>Facilities and Services</b>				
<b>Community Services</b>				
Birubi	Birubi Surf Club concept design	18,500		Revenue
			<b>18,500</b>	
<b>Civil Assets</b>				
Hinton	Hinton Road guardrail	219,049		Environmental Reserve
Corlette and Salamander Bay	Foreshore Drive	149,424		Unspent loan funds
Woodville	Paterson Road	32,932		Unspent loan funds
Seaham	East Seaham Road, Stage 1	46,712		Asset Rehabilitation Reserve
Hinton	Hinton Road guardrail	57,400		Asset Rehabilitation Reserve
Hinton	Elizabeth Street	49,844		Unspent loan funds
CPTIGS	CPTIGS bus stops 2013-2014	23,951		External Grant
Tanilba Bay	Tanilba foreshore revetment	234,428		Parking Meter Reserve / Grant

ITEM 8 - ATTACHMENT 1 TABLE OF IDENTIFIED BUDGET ITEMS AND FUNDING SOURCE.

Category	Project	Unspent Amount (\$)	Category Sub-total (\$)	Funding Source
Assets	Shoal Bay boat ramp precinct	128,439		Parking Meter Reserve
Tanilba Bay	Tanilba playground	49,762		External Grant
Boomerang Park	Boomerang Park playground	273,002		S94 Funds and External Grant
Barry Park	Amenities construction	132,404		Crown Parks Trust Reserve
Henderson Park	Henderson Park	28,114		External Grant
Hinton	Pontoon construction	39,571		External Grant
Shoal Bay	Fish cleaning tables	17,628		External Grant
Salamander	Wharf upgrade	35,667		Asset Rehabilitation Reserve
Karuah Wharf	Wharf upgrade	10,710		Asset Rehabilitation Reserve
Boomerang Park	Boomerang Park amenities	54,850		S94 Funds
Corlette and Salamander Bay	Corlette Sandy Point process study	10,932		External Grant
Corlette	Anchorage playground	75,000		Asset Rehabilitation Reserve
Barry Park	Barry Park whale watching platform	25,000		External Grant
LGA	Aquatic centres energy efficiency projects	5,500		Asset Rehabilitation Reserve
Boomerang Park	Boomerang Park croquet court	40,000		S94 Funds
Hinton	Hinton cricket nets	10,000		S94 Funds
Nelson Bay	Nelson Bay Skate Park	20,000		External Grant
Sunset Park	Sunset Park process study	50,000		External Grant
			1,820,319	
<b>Development Services</b>				
<b>Strategy and Environment</b>				
Karuah	Biobanking	26,776		External Grant
<b>Total rolled forward</b>			<b>26,776</b>	
			<b>5,788,833</b>	

ITEM 8 - ATTACHMENT 1 TABLE OF IDENTIFIED BUDGET ITEMS AND FUNDING SOURCE.

Category	Project	Unspent Amount (\$)	Category Sub-total (\$)	Funding Source
<b>Totals by funding source</b>				
Revenue		125,238		
Business Improvements Reserve		74,667		
Unspent Loan Funds		1,000,170		
Crown Parks Trust Reserve		2,860,979		
Property Reserve		245,288		
Environmental Reserve		219,049		
Asset Rehabilitation Reserve		230,990		
External Grant		291,734		
Parking Meter Reserve / Grant		234,428		
Parking Meter Reserve		128,439		
S94 Funds and External Grant		273,002		
S94 Funds		104,850		
<b>TOTAL</b>			<b>5,788,833</b>	

**ITEM NO. 9**

**FILE NO: PSC2015-01000V2/016  
TRIM REF NO: PSC2012-01155**

**SUSTAINABILITY REVIEW - CIVIL LANDSCAPE AND STRUCTURAL PROJECTS TEAM**

REPORT OF: GREGORY KABLE - CAPITAL WORKS SECTION MANAGER  
GROUP: FACILITIES & SERVICES

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**RECOMMENDATION IS THAT COUNCIL:**

- 1) Note the information contained in the Service Strategy – Civil, Landscape and Structural Projects Team **(TABLED DOCUMENT)**.
- 2) Endorse the implementation of the recommendations detailed in the summary of options in the Service Strategy **(ATTACHMENT 1)**.

---

**ORDINARY COUNCIL MEETING - 24 NOVEMBER 2015  
COMMITTEE OF THE WHOLE RECOMMENDATION**

	<p><b>Councillor John Nell Councillor Sally Dover</b></p> <p>That the recommendation be adopted.</p>
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**ORDINARY COUNCIL MEETING - 24 NOVEMBER 2015  
MOTION**

<b>367</b>	<p><b>Councillor John Nell Councillor Ken Jordan</b></p> <p>It was resolved that Council:</p> <ol style="list-style-type: none"><li>1) Note the information contained in the Service Strategy – Civil, Landscape and Structural Projects Team <b>(TABLED DOCUMENT)</b>.</li><li>2) Endorse the implementation of the recommendations detailed in the summary of options in the Service Strategy <b>(ATTACHMENT 1)</b>.</li></ol>
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**BACKGROUND**

The purpose of this report is to present to Council the outcome of the Sustainability Review for the Civil, Landscape and Structural Projects Team and to seek

endorsement of the recommendations detailed in the Civil, Landscape and Structural Projects Team Service Strategy.

The Civil, Landscape and Structural Projects Team is resourced to provide design and project management services to Council's asset teams for the provision of public infrastructure for the community. The team also provides assistance to the asset teams developing preliminary scopes, designs and estimates during the initiation and planning phases of projects.

Benchmarking in the Sustainability Review shows that the team performs strongly against the market and external providers. Hourly rates are in the order of 40% less than external providers and unit rates for design and project management are consistently at or below industry standards.

The proposed recommendations are based on process improvements in the initiation and planning phases of projects that will lead to increased control and management of project scope, costs, schedule and quality in the execution or construction phase.

The recommendations will improve productivity in the project management process, deliver projects with more control resulting in less cost, schedule variation and fewer escalations through improved community engagement.

### **COMMUNITY STRATEGIC PLAN**

<b>Strategic Direction</b>	<b>Delivery Program 2015-2019</b>
Provide passive and active recreation and leisure services and facilities.	Maintain and develop recreational facilities for residents and visitors.

### **FINANCIAL/RESOURCE IMPLICATIONS**

The Civil, Landscape and Structural Projects Team is funded from the Capital Expenditure Budget.

The proposed improvements in the Capital Works Process that are identified in the sustainability review have the capacity to save the five staff a minimum of one hour per week each. In the course of a year this amounts to \$18,063 (including on costs) which represents 2.8% of the annual salaries budget (including on costs). The savings will be reinvested in the system to reduce rework, improve lead times and allow the Communications Section more time for greater community engagement. The system improvements will be measured by a reduction in the number of escalations, variations and scope changes.

Benchmarking the services against external providers and market rates clearly indicates that Council is providing these services at highly competitive rates with many rates superior to outsourced options. Process improvement will enhance and maintain the competitive edge on a continuing basis.

<b>Source of Funds</b>	<b>Yes/No</b>	<b>Funding (\$)</b>	<b>Comment</b>
Existing budget	Yes	219,713	The budget figure allows for costs associated with operating the team such as vehicles, computer hardware and software and office costs. Salary costs of \$633,451 including on costs are funded by the Capital Works Expenditure budget .
Reserve Funds	No		
Section 94	No		
External Grants	No		
Other	No		

**LEGAL, POLICY AND RISK IMPLICATIONS**

Council has no legal requirement to undertake its own design and project management. However, it is in Council's interests to continue managing the work and improve the processes to deliver the projects more effectively and efficiently. Benchmarking and unit rates substantiate this approach.

There are no legal or policy impediments created by adopting the recommendations.

<b>Risk</b>	<b><u>Risk Ranking</u></b>	<b>Proposed Treatments</b>	<b>Within Existing Resources?</b>
There is a risk that Council may not be able to provide a project management service at a competitive rate which may lead to increased costs for Council's capital works.	Medium	Adopt the recommendations and continue to improve efficiencies through process improvement.	Yes
There is a risk that Council ceases to provide the project management service and projects are not completed to standard resulting in Council owning and maintaining poor quality assets.	Medium	Adopt the recommendations and continue to improve efficiencies through process improvement.	Yes

## MINUTES ORDINARY COUNCIL - 24 NOVEMBER 2015

There is a risk that continuous improvement of the service ceases resulting in projects not being completed to standard resulting in Council owning and maintaining poor quality assets at an increased cost.	High	Continue to provide cost competitive services in house while improving efficiencies through process improvement.	
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### SUSTAINABILITY IMPLICATIONS

Includes Social, Economic and Environmental Implications

Adopting the recommendations will not cause any significant social or economic implications.

All works completed within this function are undertaken within existing environmental controls and specifications which are tailored to minimise the environmental impact of our works.

### CONSULTATION

- 1) Civil Landscape and Structural Project Manager.
- 2) Two Way Conversation with Councillors on 17 November 2015.
- 3) Executive Leadership Team.
- 4) Civil Assets Manager.
- 5) Construction Project Manager.
- 6) Design Project Manager.

### OPTIONS

- 1) Accept the recommendations.
- 2) Amend the recommendations.
- 3) Reject the recommendations.

### ATTACHMENTS

- 1) Summary of Options of Service Strategy - Civil Landscape and Structures.

### COUNCILLORS ROOM

Nil.

### TABLED DOCUMENTS

- 1) Sustainability Review – Civil, Landscape and Structural Projects Team.

**ITEM 9 - ATTACHMENT 1 SUMMARY OF OPTIONS OF SERVICE STRATEGY - CIVIL LANDSCAPE AND STRUCTURES.**

**SUSTAINABILITY  
REVIEW**



**SUMMARY OF OPTIONS:**

<b>Option 1</b>	<b>Details</b>	<b>Prioritisation (refer matrix)</b>
Continue on, however seek to continuously improve the service.	The existing processes function and deliver projects but there are strong opportunities to strengthen and improve adherence to the processes and improve efficiency in project delivery.	High
<b>Option 2</b>	<b>Details</b>	<b>Prioritisation (refer matrix)</b>
Change the way the service is delivered (ie. process or supplier improvement).	The <b>Structures and Civil and Landscape</b> services do not require structural change. The service can be improved by improving processes and establishing realistic lead times for planning and design which will produce: <ul style="list-style-type: none"> <li>▪ More accurate estimates.</li> <li>▪ More effective preconstruction planning and timing of works.</li> <li>▪ Fewer changes to the works programs.</li> <li>▪ More effective allocation of resources.</li> <li>▪ Fewer changes on site during construction.</li> </ul> This will result in a more effective delivery of the projects.	High
<b>Option 3</b>	<b>Details</b>	<b>Prioritisation (refer matrix)</b>
Spin off or restructure.	There are no real benefits from spinning off or restructuring the team.	Low
<b>Option 4</b>	<b>Details</b>	<b>Prioritisation (refer matrix)</b>
Cease the service altogether.	Not practical as there is an ongoing demand for the existing assets to be maintained and for new or replacement assets to be designed and constructed.	Low



**ITEM 9 - ATTACHMENT 1 SUMMARY OF OPTIONS OF SERVICE STRATEGY - CIVIL LANDSCAPE AND STRUCTURES.**

**SUSTAINABILITY  
REVIEW**



**RECOMMENDATION:**

Service	Details	Net One off costs/savings	Recurrent costs/savings
<p>Delivery of Civil Landscape and Structural Projects.</p>	<p>The recommendation is to implement Options 1 &amp; 2</p> <p>Option 1 - Continuously improve the service by closer adherence to processes which will increase efficiency in project delivery</p> <p>Option 2 – Continuous improvement will establish realistic lead times for planning and design which will produce:</p> <ul style="list-style-type: none"> <li>▪ More accurate estimates.</li> <li>▪ More effective preconstruction planning and timing of works.</li> <li>▪ Fewer changes to the works programs.</li> <li>▪ More effective allocation of resources.</li> </ul> <p>Fewer changes on site during construction.</p> <p>This will result in a more effective delivery of the projects.</p> <p>Completion by June 2016.</p>		<p>The recommendation has the capacity to save the 5 staff in the team a minimum of 1 hour per week each. In the course of the year this amounts to \$18,063 (including on costs) which represents 2.8% of the annual salaries budget of \$633,451 (including on costs). The savings will be reinvested in the system and measured by the reduction in the number of scope changes, cost variations and escalations.</p>

Completed by: Ian Gilkes

Position: Project Management Coordinator

Review Team involved: Civil Landscape and Structural Projects Team

Date: 10/11/15

**ITEM NO. 10**

**FILE NO: PSC2015-01000V2/058  
TRIM REF NO: A2004-0115**

**WARD BOUNDARY REVIEW 2015**

REPORT OF: TONY WICKHAM - GOVERNANCE MANAGER  
GROUP: GENERAL MANAGER'S OFFICE

**RECOMMENDATION IS THAT COUNCIL:**

- 1) Note the submissions received on the Ward boundary review 2015.
- 2) Adopt the new Ward Boundaries as shown in Option 2 at **(ATTACHMENT 1)**.
- 3) Notify the NSW Electoral Commission and the Australian Bureau of Statistics.

**ORDINARY COUNCIL MEETING - 24 NOVEMBER 2015  
COMMITTEE OF THE WHOLE RECOMMENDATION**

	<p><b>Mayor Bruce MacKenzie Councillor John Nell</b></p> <p>That the recommendation be adopted.</p>
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**ORDINARY COUNCIL MEETING - 24 NOVEMBER 2015  
MOTION**

<b>368</b>	<p><b>Councillor John Nell Councillor Ken Jordan</b></p> <p>It was resolved that Council:</p> <ol style="list-style-type: none"><li>1) Note the submissions received on the Ward boundary review 2015.</li><li>2) Adopt the new Ward Boundaries as shown in Option 2 at <b>(ATTACHMENT 1)</b>.</li><li>3) Notify the NSW Electoral Commission and the Australian Bureau of Statistics.</li></ol>
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**BACKGROUND**

The purpose of this report is to provide feedback to Council following public exhibition of the Ward Boundary changes proposal.

## MINUTES ORDINARY COUNCIL - 24 NOVEMBER 2015

Council considered a report at its meeting on 14 July 2015, shown at **(ATTACHMENT 2)**, in relation to the requirements under the *Local Government Act 1993* concerning the need to review the Ward Boundaries across the local government area.

At this meeting, Council resolved to proceed with the public exhibition in accordance with Option 2 and to seek approval from the NSW Electoral Commission.

The NSW Electoral Commission approved the draft Ward Boundary changes and Council commenced public exhibition on 24 September 2015 to 5 November 2015. Council is required to allow 42 days for submissions, which concluded on 5 November 2015.

During the public consultation period Council conducted three community engagement sessions at Fern Bay on 10 October 2015, Williamstown on 12 October 2015 and Boat Harbour on 14 October 2015. Each session was well received by the community and the four (4) submissions received following the exhibition period are shown at **(ATTACHMENT 3)**.

The new Ward Boundaries will not come into effect until the 2016 local government election.

### COMMUNITY STRATEGIC PLAN

Strategic Direction	Delivery Program 2015-2019
Port Stephens has strong governance and civic leadership.	Manage the civic leadership and governance functions of Council. Manage relationships with all levels of government, stakeholder organisations and Hunter Councils Inc.

### FINANCIAL/RESOURCE IMPLICATIONS

All financial and resource implications have been allocated through existing budget limits.

Source of Funds	Yes/No	Funding (\$)	Comment
Existing budget	Yes		
Reserve Funds	No		
Section 94	No		
External Grants	No		
Other	No		

**LEGAL, POLICY AND RISK IMPLICATIONS**

Section 211 of the *Local Government Act 1993* requires Council to keep its Wards under review and to take action should the variance be greater than 10% between the highest and lowest ward elector numbers.

Consultation of the proposed changes forms part of Council's legal responsibilities under the *Local Government Act 1993*.

<b>Risk</b>	<b><u>Risk Ranking</u></b>	<b>Proposed Treatments</b>	<b>Within Existing Resources?</b>
There is a risk that Council will be in breach of the <i>Local Government Act 1993</i> if the Ward boundary review is not conducted.	Low	Adopt the recommendations.	Yes
There is a risk that there will be an imbalance between wards at the next local government election.	Low	Adopt the recommendations.	Yes

**SUSTAINABILITY IMPLICATIONS**

Includes Social, Economic and Environmental Implications

The review of the Ward boundaries will correct the current imbalance that exists between Wards and provide an improved community representation from the elected Council.

**CONSULTATION**

- 1) Council report 14 July 2015.
- 2) Consultation with the NSW Electoral Commission and the Australian Bureau Statistics.
- 3) Port Stephens Examiner advertising from 24 September 2015 to 5 November 2015, including an article by the General Manager, which was included on Council's advertising paper of the newspaper.
- 4) Port Stephens Examiner articles on 23 July 2015 and 1 October 2015.
- 5) Three community engagement sessions held at Fern Bay on 10 October 2015 (3 community attendees), Williamtown on 12 October 2015 (2 community attendees) and Boat Harbour on 14 October 2015 (23 community attendees).
- 6) Direct mail out to ratepayers affected – approximately 2,400 letters.

**OPTIONS**

- 1) Accept the recommendations.
- 2) Amend the recommendations.
- 3) Reject the recommendations.

**ATTACHMENTS**

- 1) Proposed Ward boundary - Option 2.
- 2) Council report of 14 July 2015.
- 3) Public submissions received.

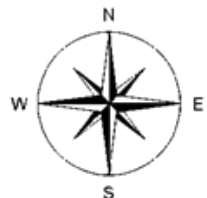
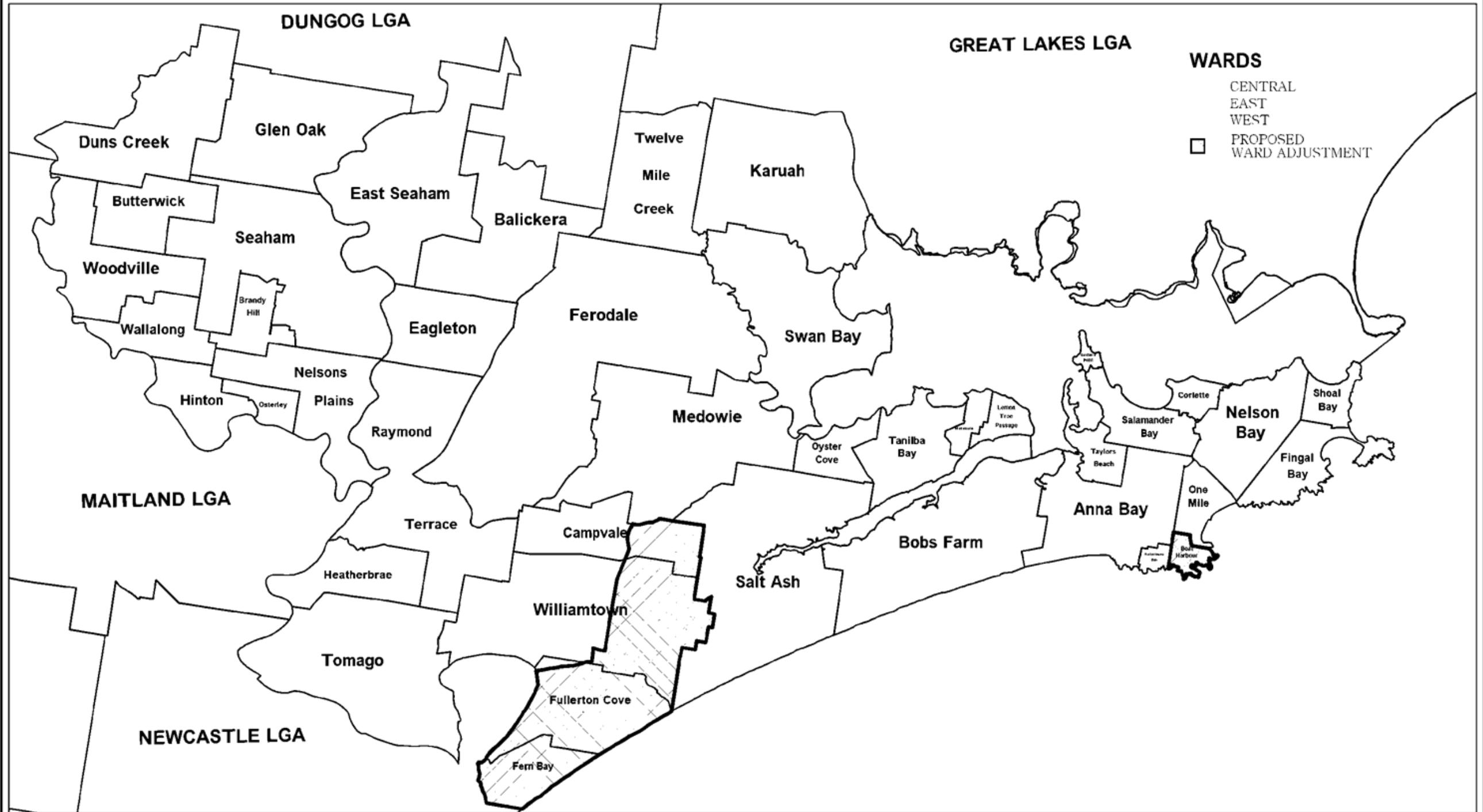
**COUNCILLORS ROOM**

Nil.

**TABLED DOCUMENTS**

Nil.

# Port Stephens Wards & Localities - Option 2



MGA 56



**PORT STEPHENS**  
COUNCIL

116 Adelaide Street, Raymond Terrace NSW 2324. Phone: (02) 49800255 Fax: (02) 49873612 Email: council@portstephens.nsw.gov.au

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**SHEET LOCALITY**



**COUNCIL MEETING – 14 JULY 2015**

**ITEM NO. 10**

**FILE NO: PSC2015-01000/491  
TRIM REF NO: A2004-0015**

**WARD BOUNDARY REVIEW**

**REPORT OF: TONY WICKHAM - GOVERNANCE MANAGER  
GROUP: GENERAL MANAGER'S OFFICE**

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**RECOMMENDATION IS THAT COUNCIL:**

- 1) Endorse the Ward boundaries changes in accordance with Option2 shown at **(ATTACHMENT 4)**.
- 2) Commence public exhibition for a period of 28 days and allow 42 days for submissions to be received following approval from the Electoral Commission NSW.
- 3) Note the proposed timeframe for the Ward boundary review process.

---

**BACKGROUND**

The purpose of this report is for Council to review its Ward boundaries within the Port Stephens local government area in preparation for the 2016 local government election.

Section 211 of the *Local Government Act 1993*, requires Council to keep its ward boundaries under review and that any variance between wards must not be greater than 10%. Council officers review the elector numbers in each ward on a monthly basis from elector numbers provided by the NSW Electoral Commission.

In 2013, Council sought the advice of the Office of Local Government in regards to the ward boundary imbalance, with the view to holding off any reviews until the Kings Hill development had progressed. Council was advised that there was no mechanism to allow Council to postpone any review. Since this time, Council has monitored the elector number movement, with the view that the elector number may reduce to meet the 10% requirement. The current variance is around 14%; therefore, Council is required to review the ward boundaries prior to the next election.

Two (2) options have been produced for Council's consideration. The proposals are:

Option 1 – Transfer Boat Harbour (727 electors) from East Ward to Central Ward and transfer Fullerton Cove and Fern Bay (2,113 electors) from Central Ward to West Ward. The projections are shown at **(ATTACHMENT 1)**. The mapped proposal for Option 1 is shown at **(ATTACHMENT 2)**.

**COUNCIL MEETING – 14 JULY 2015**

Option 2 - Transfer Boat Harbour (727 electors) from East Ward to Central Ward and transfer Fullerton Cove and Fern Bay (2,113 electors), and parts of Campvale and Williamtown (255 electors) that are located in Central Ward, from Central Ward to West Ward – this would see the suburbs of Williamtown and Campvale completely located within West Ward, with a total elector number transfer of 2,368 to West Ward. The projections are shown at **(ATTACHMENT 3)**. The mapped proposal for Option 2 is shown at **(ATTACHMENT 4)**.

Option 2 is the recommended option as it provides a better outcome over the long term with respect to elector numbers. Option 2 would not see a further ward boundary review until approximately 2023, where Option 1 may require a further review around 2021.

Option 2 retains a major centre within each Ward: Raymond Terrace, Medowie and Nelson Bay, therefore providing a sense of community and a central 'hub' for those residents within each ward.

The proposal has taken into account growth areas such as Kings Hill, Hunter Land, Moxey land, Boundary Road, Kingston rezoning and Pacific Dunes. These growth areas will not impact on the ward boundary review to any great extent.

The current 'Fit for the Future' program being conducted by the NSW State Government has no impact on this review. Any changes to a local government area as a result of the 'Fit for the Future' program outcomes will have a different process to follow should a council be amalgamated.

The proposed timeframe for the Ward boundary review is shown at **(ATTACHMENT 5)**.

**COMMUNITY STRATEGIC PLAN**

<b>Strategic Direction</b>	<b>Delivery Program 2013-2017</b>
Port Stephens has strong governance and civic leadership.	Manage the civic leadership and governance functions of Council. Manage relationships with all levels of government, stakeholder organisations and Hunter Councils Inc.

**FINANCIAL/RESOURCE IMPLICATIONS**

The financial and resource implications will be advertising and community consultation sessions where the community will be invited to comment on the ward boundary proposal.



**COUNCIL MEETING – 14 JULY 2015**

Source of Funds	Yes/No	Funding (\$)	Comment
Existing budget	Yes		Within existing budget.
Reserve Funds	No		
Section 94	No		
External Grants	No		
Other	No		

**LEGAL, POLICY AND RISK IMPLICATIONS**

Section 211 of the *Local Government Act 1993* requires Council to keep its Wards under review, and to take action should the variance be greater than 10% between the highest and lowest ward elector numbers.

Risk	Risk Ranking	Proposed Treatments	Within Existing Resources?
There is a risk that Council will be in breach of the <i>Local Government Act 1993</i> if the ward boundary review is not conducted.	Low	Adopt the recommendations.	Yes
There is a risk that there will be an imbalance between wards at the next local government election.	Low	Adopt the recommendations.	Yes

**SUSTAINABILITY IMPLICATIONS**

Includes Social, Economic and Environmental Implications

The review of the Ward boundaries will correct the current imbalance that exists between Wards and provide an improved community representation from the elected Council.

**CONSULTATION**

- 1) Presentation to Mayor and Councillors on 22 June 2015
- 2) General Manager
- 3) Electoral Commission NSW
- 4) Australian Statistician

**COUNCIL MEETING – 14 JULY 2015**

Following Council's endorsement of the proposed changes, consultation will commence with Electoral Commission NSW and the Australian Statistician.

A series of community engagement opportunities will follow the consultation with the Electoral Commission NSW and the Australian Statistician. It is anticipated that the community engagement opportunities will occur September/October 2015. Further advice on community engagement will be provided through local press and on Council's website.

**OPTIONS**

- 1) Accept the recommendations.
- 2) Amend the recommendations.
- 3) Reject the recommendations.

**ATTACHMENTS**

- 1) Option 1 - elector number projections.
- 2) Option 1 - boundary changes map.
- 3) Option 2 - elector number projections.
- 4) Option 2 - boundary changes map.
- 5) Proposed Ward boundary review timeframe.

**COUNCILLORS ROOM**

Nil.

**TABLED DOCUMENTS**

Nil.

ITEM 10 - ATTACHMENT 3 PUBLIC SUBMISSIONS RECEIVED.

Mr. Tony Wickham  
The Executive Officer  
Port Stephens Council  
PO Box 42  
Raymond Terrace 2324

Dear Sir,

Re: Ward Boundary Review

We wish to lodge our objection to the proposed change from East Ward to Central Ward.

We believe this change is not an immediate necessity. Why now??

Our community has seen many improvements as East Ward and the change (at this time) can only be detrimental to residents.

The number of reasons is too numerous to mention, however, I am sure you would have received notification of many of them from residents who are not happy about this change.

Yours sincerely,

[Redacted signature]

[Redacted address]

Boat Harbour 2316

27th October, 2015

PORT STEPHENS COUNCIL Information Services	
29 OCT 2015	
File No.	A2004-0115
Action by	E. Elmet
<input type="checkbox"/> R.H.C.	

**ITEM 10 - ATTACHMENT 3 PUBLIC SUBMISSIONS RECEIVED.**

Resent due to wrong email address.

**From:** TRRA President [<mailto:president@trra.com.au>]  
**Sent:** Tuesday, October 27, 2015 3:26 PM  
**To:** 'council@portstephens.nsw.com.au' <[council@portstephens.nsw.com.au](mailto:council@portstephens.nsw.com.au)>  
**Cc:** 'Sally Dover' <[sallydover@bigpond.com](mailto:sallydover@bigpond.com)>; John Nell <[john.nell@portstephens.nsw.gov.au](mailto:john.nell@portstephens.nsw.gov.au)>; 'john.morello@portstephens.nsw.gov.au' <[john.morello@portstephens.nsw.gov.au](mailto:john.morello@portstephens.nsw.gov.au)>  
**Subject:** Proposed Ward Boundary Changes

The General Manager  
Port Stephens Council

Dear Sir

TRRA Inc. notes with some concern the proposal to remove the locality of Boat Harbor from the East Ward of Port Stephens LGA and to assign it to the Central Ward.

TRRA maintains a close relationship with the residents of Boat Harbour and has in the past represented their interests in matters coming before Council. TRRA recently attended a briefing session on the boundary changes at Boat Harbour and has received correspondence from the Boat Harbor Recreation Club (which also represents the community on other general issues). These indicate that their residents strongly oppose the proposed transfer to the Central Ward.

The general consensus appears to be that the residents of Boat Harbour, being geographically closer to the business and community service centres on the Tomaree Peninsula than to Medowie, have a much greater affinity with the Tomaree area than the Central Ward. This long-standing pattern of interaction with the East Ward, and reliance on Councillors representing East Ward interests, explains why the residents are most reluctant to be assigned to the Central Ward.

TRRA Inc. appreciates the broader principles underlying the boundary allocations. However, we urge those responsible for this redistribution to take account of the strongly held views of the Boat Harbour voters.

Yours sincerely

Geoff Washington  
President  
Tomaree Ratepayers and Residents Association Inc.

ITEM 10 - ATTACHMENT 3 PUBLIC SUBMISSIONS RECEIVED.

**From:** [REDACTED] [mailto:[REDACTED]@gmail.com]  
**Sent:** Thursday, 15 October 2015 10:13 PM  
**Subject:** A2004-0115

Hello,  
We feel that the Boat Harbour residents should be left in the current ward. We have a strong affiliation with our current ward, local area of Boat Harbour/One Mile and the peninsula. We identify closely as a Boat Harbour/One Mile cohort and the end of the Peninsula, not with Williamstown. We also have close working relationships with our councillors, various activities underway for funding etc. we are happy where we are regards

[REDACTED]  
Boat Harbour

Feedback

PORT STEPHENS

Local Community Review

Name

Address

Email

Telephone

[REDACTED]

[REDACTED] FULLERTON COVE 2318

N.A.

(02) [REDACTED]

Do you want to know what Council decides about this project?

Yes  No (Email preferred)

Do you want your email to be added to a listing for a regular council updates?

Yes  No (please circle)

Did you find today's face to face drop in session useful?

Yes  No (please circle)

Comments It provided the opportunity for the Governance Managers to answer the queries I had as well as the opportunity to explain my hesitancy and uncertainty.

Do you have any questions unanswered?

Comments Not questions unanswered; just some "wrease" about certain aspects of being further "neglected" by Council.

Has the information provided assisted your decision to make a formal submission?

Yes  No (please circle)



Feedback

PORT STEPHENS

**How did you find out about the community consultation held today?**

(please tick all that apply)

- Newspaper
- Web
- Social media
- Email
- Letterbox drop
- Word of mouth

Other Mail from the Council delivered by Australia Post Contractor.

**How would you prefer to find out about similar future plans?**

(please tick all that you prefer)

- Newspaper
- Web
- Social media
- Email
- Letterbox drop
- Other

Letterbox drop ie. mail by the Australian Post Contractor.

**Do you have any other suggestions?**

More a query. Because we are not connected to the Internet, and the Examiner is not delivered in the Fullerton Cove area, is there another means for Council to notify us of any relevant Development proposals for this area? One of the people at the community consultation told me about <sup>plans for</sup> future upgrades of roads being available at the library. Thank you for your time at Raymond Terrace for perusal. Is it possible for us to be notified (phone would do) when such documents are available, please, so we can view them?  
 Thank you.

**ITEM NO. 11**

**FILE NO: PSC2015-01000V2/112**  
**TRIM REF NO: PSC2015-03571**

**REQUEST FOR FINANCIAL ASSISTANCE**

REPORT OF: WAYNE WALLIS - GENERAL MANAGER  
GROUP: GENERAL MANAGER'S OFFICE

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**RECOMMENDATION IS THAT COUNCIL:**

- 1) Approves provision of financial assistance under Section 356 of the *Local Government Act 1993* from the respective Mayor and Ward Funds to the following:
  - a. East ward funds – Cr Sally Dover – Australia Day Committee Nelson Bay – Installation of electricity distribution box at the top end of Fly Point Park - \$2,000.

---

**ORDINARY COUNCIL MEETING - 24 NOVEMBER 2015**  
**COMMITTEE OF THE WHOLE RECOMMENDATION**

	<p><b>Councillor Sally Dover</b> <b>Councillor John Morello</b></p> <p>That the recommendation be adopted.</p>
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**ORDINARY COUNCIL MEETING - 24 NOVEMBER 2015**  
**MOTION**

<b>369</b>	<p><b>Councillor John Nell</b> <b>Councillor Ken Jordan</b></p> <p>It was resolved that Council approves provision of financial assistance under Section 356 of the <i>Local Government Act 1993</i> from the respective Mayor and Ward Funds to the following:</p> <ol style="list-style-type: none"><li>a. East ward funds – Cr Sally Dover – Australia Day Committee Nelson Bay – Installation of electricity distribution box at the top end of Fly Point Park - \$2,000.</li></ol>
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The purpose of this report is to determine and, where required, authorise payment of financial assistance to recipients judged by Councillors as deserving of public



## MINUTES ORDINARY COUNCIL - 24 NOVEMBER 2015

funding. The Financial Assistance Policy gives Councillors a wide discretion either to grant or to refuse any requests.

The new Financial Assistance Policy provides the community and Councillors with a number of options when seeking financial assistance from Council. Those options being:

1. Mayoral Funds
2. Rapid Response
3. Community Financial Assistance Grants – (bi-annually)
4. Community Capacity Building

Council is unable to grant approval of financial assistance to individuals unless it is performed in accordance with the *Local Government Act 1993*. This would mean that the financial assistance would need to be included in the Management Plan or Council would need to advertise for 28 days of its intent to grant approval. Council can make donations to community groups.

The requests for financial assistance are shown below is provide through Mayoral Funds, Rapid Response or Community Capacity Building:-

### EAST WARD – Councillors Dover, Morello and Nell

Australia Day Committee Nelson Bay	Install electricity distribution box at the top end of Fly Point Park	\$2,000
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### COMMUNITY STRATEGIC PLAN

Strategic Direction	Delivery Program 2015-2019
Port Stephens has strong governance and civic leadership.	Manage the civic leadership and governance functions of Council. Manage relationships with all levels of government, stakeholder organisations and Hunter Councils Inc.

### FINANCIAL/RESOURCE IMPLICATIONS

Council Ward, Minor Works and Mayoral Funds are the funding source for all financial assistance.

Source of Funds	Yes/No	Funding (\$)	Comment
Existing budget	Yes	2,000	Within existing budget.
Reserve Funds	No		
Section 94	No		
External Grants	No		
Other	No		

**LEGAL AND POLICY IMPLICATIONS**

To qualify for assistance under Section 356(1) of the *Local Government Act 1993*, the purpose must assist the Council in the exercise of its functions. Functions under the Act include the provision of community, culture, health, sport and recreation services and facilities.

The policy interpretation required is whether the Council believes that:

- a) applicants are carrying out a function, which it, the Council, would otherwise undertake;
- b) the funding will directly benefit the community of Port Stephens;
- c) applicants do not act for private gain.

<b>Risk</b>	<b><u>Risk Ranking</u></b>	<b>Proposed Treatments</b>	<b>Within Existing Resources?</b>
There is a risk that Council may set a precedent when allocating funds to the community and an expectation those funds will always be available.	Low	Adopt the recommendations.	Yes

**SUSTAINABILITY IMPLICATIONS**

Includes Social, Economic and Environmental Implications

Nil.

**CONSULTATION**

- 1) Mayor.
- 2) Councillors.
- 3) Port Stephens Community.

**OPTIONS**

- 1) Accept the recommendation.
- 2) Vary the dollar amount before granting each or any request.
- 3) Decline to fund all the requests.

**ATTACHMENTS**

Nil.

**COUNCILLORS ROOM**

Nil.

**TABLED DOCUMENTS**

Nil.

**ITEM NO. 12**

**FILE NO: PSC2015-01000V2/071  
TRIM REF NO: PSC2015-00381**

**INFORMATION PAPERS**

REPORT OF: WAYNE WALLIS - GENERAL MANAGER  
GROUP: GENERAL MANAGER'S OFFICE

**RECOMMENDATION IS THAT THAT COUNCIL:**

Receives and notes the Information Papers listed below being presented to Council on 24 November 2015.

<b>No:</b>	<b>Report Title</b>	<b>Page:</b>
1	CASH AND INVESTMENTS HELD AS AT 31 OCTOBER 2015	127
2	DESIGNATED PERSONS - PECUNIARY INTEREST	131

**ORDINARY COUNCIL MEETING - 24 NOVEMBER 2015  
COMMITTEE OF THE WHOLE RECOMMENDATION**

	<b>Councillor John Nell Councillor John Morello</b>  That the recommendation be adopted.
<b>370</b>	<b>Councillor John Nell Councillor John Morello</b>  It was resolved that Council move out of Committee of the Whole.

**ORDINARY COUNCIL MEETING - 24 NOVEMBER 2015  
MOTION**

<b>371</b>	<p><b>Councillor John Nell</b> <b>Councillor Ken Jordan</b></p> <p>It was resolved that Council receives and notes the Information Papers listed below being presented to Council on 24 November 2015.</p> <hr style="border-top: 1px dashed black;"/> <p><b>No:      Report Title</b></p> <p>1          CASH AND INVESTMENTS HELD AS AT 31 OCTOBER             2015</p> <p>2          DESIGNATED PERSONS - PECUNIARY INTEREST</p>
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# INFORMATION PAPERS

**ITEM NO. 1**

**FILE NO: PSC2015-01000/937  
TRIM REF NO: PSC2006-6531**

**CASH AND INVESTMENTS HELD AS AT 31 OCTOBER 2015**

REPORT OF: TIM HAZELL - FINANCIAL SERVICES SECTION MANAGER  
GROUP: CORPORATE SERVICES

**BACKGROUND**

The purpose of this report is to present Council's schedule of cash and investments held at 31 October 2015.

**ATTACHMENTS**

- 1) Cash and investments held as 31 October 2015.
- 2) Monthly cash and investments balance October 2014 to October 2015.
- 3) Monthly Australian term deposit index October 2014 to October 2015.

**COUNCILLORS ROOM**

Nil.

**TABLED DOCUMENTS**

Nil.

**ITEM 1 - ATTACHMENT 1 CASH AND INVESTMENTS HELD AS 31 OCTOBER 2015.**

**CASH AND INVESTMENTS HELD AS AT 31 OCTOBER 2015**

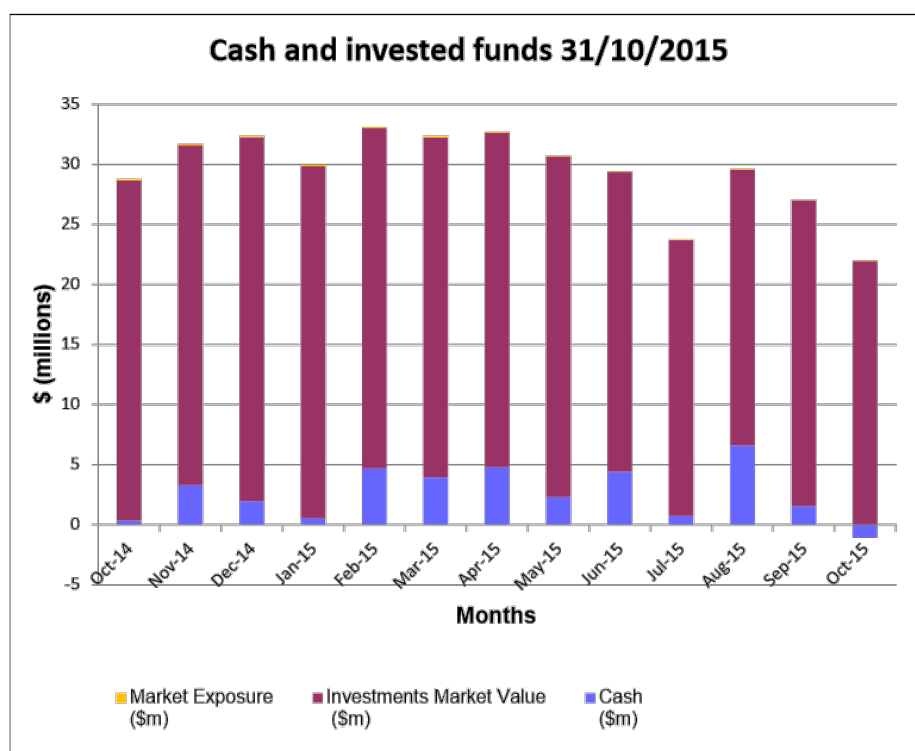
ISSUER	BROKER	RATING*	DESC.	YIELD %	TERM DAYS	MATURITY	AMOUNT INVESTED	MARKET VALUE
<b>TERM DEPOSITS</b>								
BANKWEST	BANKWEST	A-	TD	3.00%	159	4-Nov-15	2,000,000	2,000,000
NATIONAL AUSTRALIA BANK LTD	NAB	AA-	TD	3.20%	266	18-Nov-15	1,000,000	1,000,000
NATIONAL AUSTRALIA BANK LTD	NAB	AA-	TD	2.88%	100	16-Dec-15	2,000,000	2,000,000
ANZ	ANZ	AA-	TD	2.90%	188	6-Jan-16	2,000,000	2,000,000
BANK OF QUEENSLAND LTD	BOQ	A-	TD	3.00%	224	13-Jan-16	2,500,000	2,500,000
BANK OF QUEENSLAND LTD	BOQ	A-	TD	3.00%	224	27-Jan-16	1,500,000	1,500,000
AMP BANK LTD	FARQUHARSON	A+	TD	2.90%	182	10-Feb-16	2,000,000	2,000,000
SUNCORP BANK	SUNCORP	A+	TD	2.95%	182	9-Mar-16	2,000,000	2,000,000
NATIONAL AUSTRALIA BANK LTD	NAB	AA-	TD	3.00%	182	23-Mar-16	2,000,000	2,000,000
NATIONAL AUSTRALIA BANK LTD	NAB	AA-	TD	2.90%	168	6-Apr-16	2,000,000	2,000,000
ARAB BANK AUSTRALIA LTD	RIM	NR	TD	3.05%	280	20-Apr-16	2,000,000	2,000,000
<b>SUB TOTAL (\$)</b>							<b>21,000,000</b>	<b>21,000,000</b>
<b>OTHER INVESTMENTS</b>								
ANZ ZERO COUPON BOND	ANZ	AA-	BOND	0.00%	9yrs	1-Jun-17	1,017,877	968,001
<b>SUB TOTAL (\$)</b>							<b>1,017,877</b>	<b>968,001</b>
<b>INVESTMENTS TOTAL (\$)</b>							<b>22,017,877</b>	<b>21,968,001</b>
<b>CASH AT BANK (\$)</b>							<b>-1,092,079</b>	<b>-1,092,079</b>
<b>TOTAL CASH AND INVESTMENTS (\$)</b>							<b>20,925,798</b>	<b>20,875,922</b>
CASH AT BANK INTEREST RATE				2.40%				
BBSW FOR PREVIOUS 3 MONTHS				2.20%				
AVG. INVESTMENT RATE OF RETURN				2.83%				
TD = TERM DEPOSIT								
*STANDARD AND POORS LONG TERM RATING								
<b>CERTIFICATE OF RESPONSIBLE ACCOUNTING OFFICER</b>								
I HEREBY CERTIFY THAT THE INVESTMENTS LISTED ABOVE HAVE BEEN MADE IN ACCORDANCE WITH SECTION 625 OF THE LOCAL GOVERNMENT ACT 1993, CLAUSE 212 OF THE LOCAL GOVERNMENT (GENERAL) REGULATION 2005 AND COUNCIL'S CASH INVESTMENT POLICY								
<b>T HAZELL</b>								



**ITEM 1 - ATTACHMENT 2 MONTHLY CASH AND INVESTMENTS BALANCE OCTOBER 2014 TO OCTOBER 2015.**

**CASH AND INVESTMENTS BALANCE**

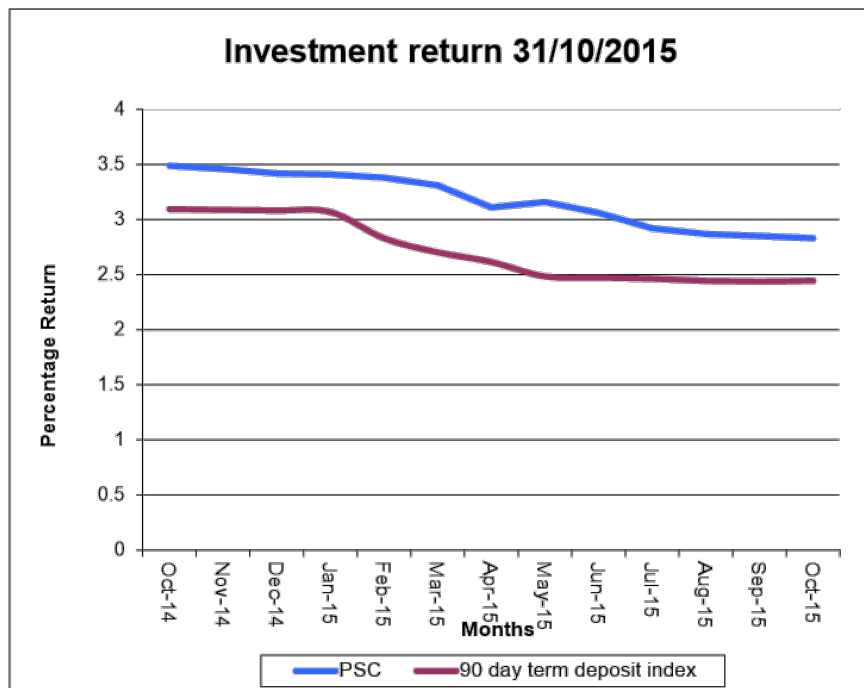
Date	Cash (\$m)	Investments Market Value (\$m)	Market Exposure (\$m)	Total Funds (\$m)	
Oct-14	0.350	28.313	0.123	28.786	
Nov-14	3.293	28.313	0.123	31.729	
Dec-14	1.959	30.317	0.113	32.389	
Jan-15	0.527	29.323	0.107	29.957	
Feb-15	4.691	28.328	0.103	33.122	
Mar-15	3.937	28.332	0.098	32.367	
Apr-15	4.793	27.867	0.064	32.723	
May-15	2.301	28.375	0.056	30.732	
Jun-15	4.422	24.967	0.051	29.440	
Jul-15	0.727	22.968	0.050	23.745	
Aug-15	6.590	22.968	0.050	29.608	
Sep-15	1.542	25.468	0.050	27.060	
Oct-15	-	1.092	21.968	0.050	20.926



**ITEM 1 - ATTACHMENT 3 MONTHLY AUSTRALIAN TERM DEPOSIT INDEX OCTOBER 2014 TO OCTOBER 2015.**

**AUSTRALIAN TERM DEPOSIT ACCUMULATION INDEX**

Date	90 day term deposit index	PSC
Oct-14	3.0955	3.49
Nov-14	3.0886	3.46
Dec-14	3.0832	3.42
Jan-15	3.0697	3.41
Feb-15	2.8301	3.38
Mar-15	2.7035	3.31
Apr-15	2.6157	3.11
May-15	2.4841	3.16
Jun-15	2.4727	3.06
Jul-15	2.4632	2.92
Aug-15	2.4447	2.87
Sep-15	2.4384	2.85
Oct-15	2.4458	2.83



ITEM NO. 2

FILE NO: PSC2015-01000V2/065  
TRIM REF NO: PSC2015-00570

**DESIGNATED PERSONS - PECUNIARY INTEREST**

REPORT OF: TONY WICKHAM - GOVERNANCE MANAGER  
GROUP: GENERAL MANAGER'S OFFICE

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**BACKGROUND**

The purpose of this report is to advise Council on new Council staff who have submitted Pecuniary Interest Returns.

In accordance with Section 450A of the *Local Government Act 1993*, all new staff are required to lodge a Return within three (3) months of commencement. These Returns are to be tabled at the first Council meeting after the lodgement date.

The following is a list of position/s who have submitted Return/s:

- Civil Assets Planning Engineer (PSC823).
- Environmental Management System Officer (PSC642)
- Ranger (PSC020)
- Economic Development Project Officer (PSC642)

**TABLED DOCUMENTS**

- 1) Pecuniary Interest Returns.

**ATTACHMENTS**

Nil.

# NOTICES OF MOTION

**NOTICE OF MOTION**

**ITEM NO. 1**

**FILE NO: PSC2015-01000V2/081  
TRIM REF NO: PSC2015-01021**

**KANGAROO POINT FORESHORE**

**COUNCILLOR: JOHN NELL  
SALLY DOVER**

---

**THAT COUNCIL:**

- 1) Makes the Kangaroo Point Foreshore safe by removing the disintegrating timber seawall, rocks and rubble and in order to protect residents, passers-by from injury and boats from hitting semi-submerged timbers from the old seawall.

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**ORDINARY COUNCIL MEETING - 24 NOVEMBER 2015  
MOTION**

<b>372</b>	<p><b>Councillor John Nell Councillor Sally Dover</b></p> <p>It was resolved that Council makes the Kangaroo Point Foreshore safe by removing the disintegrating timber seawall, rocks and rubble and in order to protect residents, passers-by from injury and boats from hitting semi-submerged timbers from the old seawall.</p>
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**BACKGROUND REPORT OF: JASON LINNANE – GROUP MANAGER  
FACILITIES AND SERVICES**

**BACKGROUND**

The timber revetment wall in the reserve to the north of Kangaroo Point is failing. Erosion is occurring behind the wall and scouring of sand in front. The structures currently represent a safety hazard. Community consultation has been underway since July 2015 to establish a clear indication of what the community values in the foreshore reserve and a solution that considers these values. Consultants have been engaged to investigate engineering issues and to formulate feasible potential management strategies.

A Foreshore Study for the Kangaroo Point area has been completed by the consultants and various options proposed for the replacement of the timber seawall. The study has confirmed that over the years a section of the beach has receded due to the movement of sand to the north / west and the absence of any sand being naturally transported in from the south / east or artificial beach nourishment. The 60m

## **MINUTES ORDINARY COUNCIL - 24 NOVEMBER 2015**

long timber sleeper wall and short (approximately 20m) section of pocket beach backed by a minor rock revetment to the south of the wall are being both overtopped and undermined by waves which also act to scour the land behind the structures.

Initial community feedback indicated the desire for a more natural looking foreshore. This has been taken into consideration in conjunction with council's primary concern to alleviate the safety hazard the current wall represents.

An onsite community meeting was held on 6 November 2015 (with ward Councillors provided briefing opportunity prior) to discuss three potential management strategies and relevant background criteria. Current findings and details are available on council's website and public feedback has been invited by 27 November 2015. No decision has been made on the preferred management strategy though the report does provide three (3) options. The cheapest option has an estimated cost of \$160,000 but would need to be confirmed with full project management scoping and estimating.

There are currently no allocated funds for these works.

### **ATTACHMENTS**

Nil.

# CONFIDENTIAL ITEMS

In accordance with Section 10A, of the Local Government Act 1993, Council can close part of a meeting to the public to consider matters involving personnel, personal ratepayer hardship, commercial information, nature and location of a place or item of Aboriginal significance on community land, matters affecting the security of council, councillors, staff or council property and matters that could be prejudice to the maintenance of law.

Further information on any item that is listed for consideration as a confidential item can be sought by contacting Council.

## ORDINARY COUNCIL MEETING – 24 NOVEMBER 2015 MOTION

373	<b>Councillor Steve Tucker</b> <b>Councillor John Nell</b>  It was resolved that Council that Council Move into confidential session.
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**CONFIDENTIAL**

**ITEM NO. 1**

**FILE NO: PSC2015-00378/127  
TRIM REF NO: PSC2015-00018**

**ACQUISITION OF LAND FOR ROAD WORKS - 5 GRAHAMSTOWN ROAD,  
FERODALE**

REPORT OF: GLENN BUNNY - PROPERTY SERVICES SECTION MANAGER  
GROUP: CORPORATE SERVICES

**ORDINARY COUNCIL MEETING - 24 NOVEMBER 2015  
MOTION**

<b>374</b>	<p><b>Mayor Bruce MacKenzie Councillor Paul Le Mottee</b></p> <p>It was resolved that Council:</p> <ol style="list-style-type: none"><li>1) Agree to pay compensation for the acquisition of land required for road works.</li><li>2) Authorise the Mayor and General Manager to sign and affix the Seal of Council to all relevant documents.</li></ol>
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**ORDINARY COUNCIL MEETING – 24 NOVEMBER 2015  
MOTION**

<b>375</b>	<p><b>Mayor Bruce MacKenzie Councillor Paul Le Mottee</b></p> <p>It was resolved that Council that Council Move out of confidential session.</p>
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There being no further business the meeting closed at 7.06pm.