

EXTRAORDINARY

COUNCIL MEETING

4 JUNE 2015

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MEETING NOTICE

**The Extraordinary Council Meeting
of Wyong Shire Council
will be held at Gosford Regional Gallery and Arts Centre,
36 Webb Street, East Gosford on
Thursday 4 June 2015 at 6.30 pm,
for the transaction of the business listed below:**

OPENING PRAYER

ACKNOWLEDGEMENT OF COUNTRY

RECEIPT OF APOLOGIES

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At the conclusion of the meeting and at the discretion of the Mayor, Council may meet with staff in an informal, non-decision making mode for a period of no more than 30 minutes.

Michael Whittaker
GENERAL MANAGER

1.1 Disclosure of Interest

TRIM REFERENCE: F2015/00040 - D11961020

MANAGER: Lesley Crawley, Manager Corporate Governance

AUTHOR: Sonia Witt; TL Governance and Councillor Services

The provisions of Chapter 14 of the *Local Government Act, 1993* regulate the way in which Councillors and nominated staff of Council conduct themselves to ensure that there is no conflict between their private interests and their public trust.

The Act prescribes that where a member of Council (or a Committee of Council) has a direct or indirect financial (pecuniary) interest in a matter to be considered at a meeting of the Council (or Committee), that interest must be disclosed as soon as practicable after the start of the meeting and the reasons for declaring such interest.

As members are aware, the provisions of the Local Government Act restrict any member who has declared a pecuniary interest in any matter from participating in the discussions, voting on that matter, and require that member to vacate the Chamber.

Council's Code of Conduct provides that if members have a non-pecuniary conflict of interest, the nature of the conflict must be disclosed. The Code also provides for a number of ways in which a member may manage non pecuniary conflicts of interest.

RECOMMENDATION

That Councillors now disclose any conflicts of interest in matters under consideration by Council at this meeting.

2.1 Proposed Central Coast Regional Planning Panel

TRIM REFERENCE: F2015/00040 - D11961070

MANAGER: Scott Cox, Director

AUTHOR: Tanya O'Brien; Manager

SUMMARY

This report recommends the creation of a Central Coast Regional Planning Panel comprising of Central Coast representatives to determine major development applications and planning proposal gateways for the Central Coast.

RECOMMENDATION

- 1 That Council receive and note the report on Proposed Central Coast Regional Planning Panel.**
- 2 That Council pursue the creation of a Central Coast Regional Planning Panel and Gateway Panel made up of Central Coast Residents by writing to the Minister for Planning, The Hon Rob Stokes.**

BACKGROUND

The Central Coast is located between Sydney and Newcastle and is often aligned to these two regions for various strategies. It is becoming apparent that the Central Coast should be recognised as an economic region in its own right as it has its own set of unique opportunities and challenges for employment and sustainable growth. The current Joint Regional Planning Panel and Gateway Panel has representation from individuals with limited connection or understanding of the planning challenges for the Central Coast.

The existing structure of these panels is as follows.

Joint Regional Planning Panels

JRPPs were established by the NSW Government to give independent, merit-based decision-making and advice to the NSW Planning Minister on regionally significant development proposals including:

- Development with a capital investment value (CIV) over \$20 million
- The following development with a CIV over \$5 million:
 - Development where council is the proponent or has a conflict of interest
 - Crown development
 - Private infrastructure and community facilities
 - Ecotourism
- Certain designated development for extractive industries; marinas or other related land and water shoreline facilities; and waste management facilities or works

2.1 Proposed Central Coast Regional Planning Panel (contd)

- Certain coastal subdivisions
- Certain development that has a CIV of more than \$10 million but less than \$20 million, where there has been lengthy delays in the assessment process.

Membership

The JRPP is comprised of five members, three independent experts appointed by the Minister and two appointed by Wyong Shire Council/Gosford City Council.

The three state-appointed members must have expertise in one or more of the following fields: planning, architecture, heritage, the environment, urban design, land economics, traffic and transport, law, engineering, tourism or government and public administration.

Of the two council appointed members, one member must have expertise in one or more of the following fields: planning, architecture, heritage, the environment, urban design, land economics, traffic and transport, law, engineering or tourism.

The maximum period any member can be appointed to the regional panel is three years. Given that the term of the current JRPP membership expires on 9 October 2015, there is an opportunity for the new membership to comprise members from the Central Coast with local knowledge.

Gateway Panel

In July 2009, the 'gateway' plan-making process was introduced by the DP&E. The gateway process:

- assists in meeting the NSW Government's target of a 50 percent overall reduction in the time taken to produce LEPs
- provides clear and publicly available justification for each plan at an early stage
- ensures vital NSW and Commonwealth agency input is sought at an early stage
- replaces the former 'one size fits all' system, under which all LEPs large and small were subject to the same rigid approval steps, with one that better tailors assessment of the proposal to its complexity
- improves links between long-term strategic planning documents, such as regional and metropolitan strategies
- provides pre-gateway reviews which may be requested by a proponent if a council has not supported, or not made a decision within 90 days, on a planning proposal. These reviews are informed by advice from the JRPP.

Membership

The Gateway Panel is chaired by the DP&E General Manager – Metropolitan and has revolving members from senior membership within the DP&E and a representative of the Local Government and Shires Association. It is noted that DP&E officers from the regional office (Gosford) make reports to the Gateway Panel on local planning matters.

Central Coast Regional Planning Panel

A Central Coast Regional Planning Panel could potentially determine planning proposal gateway decisions and major development applications for land within the Central Coast Region. The framework of the panel could be detailed through further discussions with the Minister for Planning and the Secretary of the DP&E.

CONCLUSION

Given that the decisions of the JRPP and the gateway panel impact directly on local planning outcomes, it would be beneficial for the panels to include a greater level of local professional membership. It is recommended that Council pursue a meeting with the Minister for Planning with regard to increasing the Central Coast membership on a Central Coast Joint Regional Planning Panel.

ATTACHMENTS

Nil.

2.2 Multi-Campus University

TRIM REFERENCE: F2015/00040 - D11961106
MANAGER: Michael Whittaker, General Manager
AUTHOR: Mike Dowling; Director

SUMMARY

That a delegation present a proposal to establish a Central Coast University to the Prime Minister, NSW Premier, Commonwealth and State Treasurers and Education Ministers.

RECOMMENDATION

That Council recommend a delegation of the Mayors, State and Commonwealth MP's on the Central Coast be established to present this proposal to the Prime Minister, NSW Premier, Commonwealth and State Treasurers and Education Ministers to establish the Central Coast University.

Overview

The proposal would see the 4,000 student University of Newcastle campus in Ourimbah combined with two new tertiary campuses at Warnervale and Gosford into a single new university for the NSW Central Coast.

To achieve this, the Ourimbah campus would need to be separated from the University of Newcastle, the new Warnervale university campus established and a building up of the Gosford university campus, providing the Central Coast with its own university at 3 strategic locations.

Benefits

A large Central Coast University with three campuses would provide tertiary course variety and gravitas with capacity for 15,000 students.

It would provide a comprehensive tertiary service that is accessible for current and future residents of the Central Coast region.

It would help to raise the education levels of residents across the region, with more students likely to complete high school matriculation and move onto a local university course that allows them to live at home while studying.

It would also provide cross-campus variety and integration with business and industry creating a "brains trust" that would have far reaching impact on innovation in the region. This in turn will attract more industry supporting economic development and job creation. It would be advantageous to have collocated with the university activities, TAFE facilities and other educational institutions that can provide pathways for our citizens into tertiary education.

What is sought from the Government?

- Recognition of the need for an independent Central Coast university / education institution on the Central Coast with 3 campuses from Commonwealth and State Government.
- Assistance with the necessary regulatory approvals and endorsements for establishing a Central Coast university from Commonwealth and State Government.
- Separation of Ourimbah Campus from University of Newcastle and the establishment of a Central Coast University.

ATTACHMENTS

Nil.

2.3 Revision of Technical Advisory Group Team of Reference

TRIM REFERENCE: F2015/00040 - D11961076

MANAGER: Greg McDonald, Director

AUTHOR: Garry Casement; Manager Headworks Water and Sewer

SUMMARY

This report provides advice regarding proposed modifications to the TAG Terms of Reference in light of the revised governance arrangements for the Joint Scheme.

RECOMMENDATION

- 1** *That Council note the report on the proposed revision of the Technical Advisory Group Terms of Reference.*
- 2** *That Council approve the revised Terms of Reference for the Technical Advisory Group.*

BACKGROUND

The Joint Scheme Funding Agreement (JSFA) requires the Councils to continue to have in place a joint Technical Advisory Group.

The current TAG Terms of Reference (TOR) were prepared when the proposed Central Coast Water Corporation (CCWC) was actively being established. As such, the TOR incorporates extensive references to the CCWC.

As the councils are no longer developing the CCWC and have recently established new governance arrangements it is appropriate that the TOR are modified to reflect the current governance arrangements.

An updated draft TOR is attached for the consideration of the CCROC Executive, showing the proposed changes.

ATTACHMENTS

- 1** TAG Terms of Reference - Attachment D11948924



JOINT SCHEME FUNDING AGREEMENT

TERMS OF REFERENCE FOR TECHNICAL ADVISORY GROUP

Introduction

- (a) The Joint Scheme Funding Agreement (JSFA) for the Central Coast joint water supply system entered into by Wyong Shire Council (WSC) and Gosford City Council (GCC) requires the Councils to have in place a Technical Advisory Group (TAG).
- (b) The composition of the TAG is as agreed by the General Managers of the Councils from time to time.
- (c) The functions to be performed by the TAG, as stated in the JSFA, include:
 - (i) providing advice and recommendations on future Joint Works and other works; funding arrangements and operation and maintenance costs;
 - (ii) providing technical advice in respect of matters arising under clause 7(g) of the JSFA (major development applications and rezonings involving a peak water demand of 2 ML/d or greater);
 - (iii) liaising with Councils and communication on technical issues;
 - (iv) considering and reviewing recommended technical solutions proposed by Councils;
 - (v) recommending alternative technical solutions;
 - (vi) advising on necessary resources to implement technical solutions; and
 - (vii) advising on compliance strategies for technical issues.
- (d) This document sets out the terms of reference for the TAG.

Membership

- (a) The agreed size of the TAG as at January 2013 is four members.
- (b) The membership of the TAG as at January 2015~~3~~ is as follows:

WSC

Greg McDonald (Director Infrastructure ~~and Operations~~Management)
~~TBA (Manager Commercial and Planning, Wyong Water)~~~~Daryl Mann (Manager Water and Sewerage)~~

GCC

Stan Antczak (Director Construction and Operations)~~Red Williams (Director Water and Sewerage)~~
~~Garry Hemsworth (Manager Asset Operations)~~~~[Michael Redrup (Manager Water and Sewerage Operations)]~~ ~~[Pam McCann (Manager Asset Management and Planning)]~~



- (c) One of the members of the TAG will be nominated as the chair. The chair for meetings held at Gosford City Council will be the Gosford Director Construction and Operations. For meetings held in Wyong Shire Council the Chair will be the Wyong Director Infrastructure and Operations. ~~will have a term of one calendar year, after which the position of chair will alternate with the other Council.~~

~~(d) For 2013 the chair is Greg McDonald.~~

Responsibility and accountability

- (a) The TAG is responsible and accountable to the General Managers.
- (b) The TAG has no delegated powers, except those expressly provided by the Councils or the General Managers.

Meetings

- (a) TAG will hold meetings at least bi-monthly.
- (b) TAG meetings will be scheduled to allow the timely provision of information to and requests arising from the CCROC Executive meetings and the Councils Council and CCWC Board meetings (limited to the Phase 1 functions listed in clause 6(a) below).
- (c) Special meetings may be held to consider any issue that the Chair deems to be a matter of urgency.
- (d) Meetings will generally alternate between WSC and GCC.
- (e) Meetings can be held in person or by telephone.
- (f) A quorum for any meeting will be a minimum of one TAG member from each Council.
- (g) Members may request other officers to attend meetings to provide information and participate in discussion for relevant agenda items, however such attendance is to be kept to an absolute minimum.
- (h) The Chair will preside at meetings and is responsible for issuing meeting agendas, preparing meeting minutes and coordinating technical reports.

Secretariat

- (a) The Manager Headworks (joint Scheme) will be the Chair ~~may appoint a~~ secretary for the administration of the TAG.
- (b) Meeting agendas will be finalised and distributed one week prior to a TAG meeting.
- (c) Any item to be distributed to members for the meeting must be provided to the Chair ~~(or secretary if nominated)~~ no later than one working day prior to the distribution of papers.



- (d) Minutes and actions must be approved by the Chair and circulated to TAG members and the Council General Managers within ~~five~~^{three} working days of each meeting.

Role and Functions Central Coast Water Corporation

- (a) ~~The Service Level and Funding Agreement between WSC, GCC and the Central Coast Water Corporation (CCWC) states that the role and functions of the TAG CCWC until 30 June 2017 are, among others:~~

Strategic planning

- Providing recommendations to the CCROC Executive Councils on strategic planning issues of regional significance including:
 - » the timing and funding of:
 - new joint water works which are considered to be of regional significance and are consistent with WaterPlan 2050;
 - ~~sewerage works of regional significance;~~
 - recycled water works of regional significance;
 - » ~~the design and construction of any New Joint Works~~
 - » provide operating and capital budgets to the CCROC Executive; and
 - » aligning policies of each Council on strategic water planning issues of regional significance.
- Provide input and advice to the CCROC Executive Councils on the implementation of *WaterPlan 2050* and *WaterPlan 2050* Linking Document.
- Develop and implement a regional approach to community education and public relations with respect to strategic planning issues of regional significance.

Strategic operational controls

- Provide input and advice to the Councils-CCROC Executive on strategic operational issues of regional significance such as:
 - » overall water supply and sewerage management;
 - » drought management;
 - » demand management;
 - » water restriction policy;
 - » operational benefits to be achieved through alignment and reduced duplication;
 - » environmental flow investigations;
 - » liaison with regulators;
 - » IPART submissions;
 - » government enquiries;
 - » concept designs;
 - » community engagement; and
 - » funding submissions.
- Provide input and advice to the CCROC Executive Councils regarding the management and operation of the Joint Scheme as described in the JSFA, including:
 - » asset management and maintenance;



- » service levels;
- » operations strategy; and
- » catchment management.
- Prepare an annual or other estimate of expenditure for operation and maintenance programmes.

~~(b) The TAG may establish sub committees to deal with capital works, operational or other matters.~~

~~(b) As the scope of these CCWC functions is consistent with the scope of the TAG, the TAG may also provide advice to the CCWC relating to this scope, but only after providing the advice to the two Councils first.~~

Reporting

- (a) The TAG will prepare quarterly standard reports to the ~~CCROC Executive~~ two Councils as follows:
- (i) Joint Scheme Capital Works Report, incorporating expenditure and commentary on joint capital works projects; and
 - (ii) Joint Scheme Operational Report, incorporating storage, production and other relevant factors.

~~These standard reports will be provided to the CCROC Executive, each Council (via the relevant Director) and then onto the CCWC where appropriate (via the Senior Manager).~~

- (b) The TAG will prepare reports on specific joint water supply matters as necessary for the Councils to undertake their roles as Water Supply Authorities.
- (c) The TAG will prepare reports in response to written requests for advice from the ~~CCROC Executive, CCWC. Such requests are to be issued by way of a letter from the Senior Manager of the CCWC to the Chair of the TAG, must relate to the scope of CCWC functions set out in clause 6 (a), and must be fully paid for by the CCWC.~~
- (d) ~~The TAG may also prepare reports for the CCWC in response to requests for advice relating to matters outside the scope of functions set out in clause 6(a) where the preparation of such reports has been approved in advance by both General Managers. Any such requests must be fully paid for by the CCWC.~~

2.4 Operational Status of Ourimbah Creek Borefield

TRIM REFERENCE: F2015/00040 - D11961080

MANAGER: Greg McDonald, Director

AUTHOR: Garry Casement; Manager Headworks Water and Sewer

SUMMARY

This report provides advice sought by the CCROC Executive in relation to the proposed decommissioning of the Ourimbah Creek Borefield.

RECOMMENDATION

- 1 ***That Council note the report on the Operational Status of the Ourimbah Creek Borefield.***
- 2 ***That Council endorse the status for the Ourimbah Borefield as Non Operational - Store (mothball).***

BACKGROUND

The TAG at its meeting of 9 October 2014 endorsed the status for the following borefields as follows:

- | | |
|------------------|--|
| • Woy Woy | <i>Operational</i> |
| • Narara | <i>Non Operational - Store</i> |
| • Mangrove | <i>Non Operational - Store</i> |
| • Somersby | <i>Non Operational - Store</i> |
| • Bangalow Creek | <i>Operational</i> |
| • Ourimbah Creek | <i>Treat as Non-operational – Store until Council authorises decommissioning of the production bores</i> |

A report was prepared for the CCROC Executive outlining the TAGs recommendations in relation to the Groundwater strategy review and seeking Authorisation from the CCROC Executive for the decommissioning of the Ourimbah groundwater production bores located on the RMS site.

The CCROC considered the report at their 18 December 2014 meeting (held on 19 February 2015).

Discussions regarding the decommissioning of the Ourimbah borefield highlighted concerns regarding the possible future need for the borefield in the event of a future drought. Concerns were also raised as to the implications should Council voluntarily decommission the borefield and expressed a strong opinion that if the NSW Office of Water (NOW) required the borefield to be decommissioned that Council should only do so following a direction from NOW.

2.4 Operational Status of Ourimbah Creek Borefield (contd)

CCROC resolved at the 19 February meeting:-

RESOLVED unanimously on the motion of Councillor MCKINNA and seconded by Councillor NAYNA:

- 1 That CCROC receive the report on Decommissioning of Ourimbah Creek Borefield.*
- 2 That CCROC refer this matter back to TAG for further consideration and report back to CCROC Executive.*

CURRENT STATUS

The TAG reconsidered the issue of decommissioning the Ourimbah Creek Borefield and concluded that mothballing the production equipment whilst still retaining the bores is the most appropriate action. The reasons for this were as follows:

- The yield from the Ourimbah Creek field is low (less than 0.5 ML/d);
- It is hydraulically linked to the Bangalow Creek field, so water extracted from the Ourimbah Creek field reduces extraction levels from the Bangalow Creek field;
- There are significant operational issues as there is no power supply to the site - power has been provided by a diesel generator;
- Monitoring requirements to operate the borefield are extensive and involve ecological and groundwater monitoring;
- The water is expensive to produce; and

The TAG at the meeting of 1 May 2015 resolved the following:

- 1 The TAG noted the report*
- 2 The TAG endorse the status for the Ourimbah Borefield as Non Operational - Store (mothball).*
- 3 The TAG recommend to the CCROC Executive the status for the Ourimbah Borefield be Non Operational - Store (mothball).*
- 4 The JWOG investigate and advise on sharing a single resource for the monitoring of the joint water groundwater bores.*

ATTACHMENTS

Nil.

2.5 Fit for the Future Existing Joint Services

TRIM REFERENCE: F2015/00040 - D11961091
MANAGER:
AUTHOR: Michael Whittaker; General Manager

SUMMARY

Attached is a list of services that Wyong Shire Council and Gosford City Council deliver as joint services.

RECOMMENDATION

That Council receive and note Joint Services undertaken by Wyong Shire Council and Gosford City Council.

BACKGROUND

As part of Local Councils response to the NSW Government's Fit For the Future Proposal, Council will be listing the joint services presently undertaken.

ATTACHMENTS

- 1 WSC's Proposed List of Joint Services D11953406



Gosford City/Wyong Shire Councils Existing Joint Services

A. Organisational

1. CCROC: Central Coast Regional Organisation of Council

B. Water & Sewer

2. Gosford /Wyong Councils Joint Assets-Water

C. Operational Arrangements

3. Boundary Roads and Adjacent Roads Agreement
4. Regional waste collection services
5. Bulk water

D. Development

6. JRPP/Gateway Panel/Regional Planning for growth plan

E. Library Services

7. Community information database
8. Accessing of Catalogue of respective Council

F. Community Development

9. Crime Prevention Partnership (CPP)

G. Arts & Culture

10. Regional Cultural Strategy

H. Education & Compliance

11. Weed management
12. Immunisation
13. Animal Management
14. Swimming pool compliance
15. Catchment Management
16. Driver Awareness program
17. Road Safety
18. Water Conservation

I. Illegal Waste Dumping Taskforce

19. 2 Central Coast + Hunter Councils

J. Local Govt Act

20. Community Strategic Plan
21. Quality of Life Survey
22. Integrated Planning Data

K. Economic Development

23. Central Coast Tourism
24. Central Coast Business Enterprise Centre,
25. Central Coast Regional Development Australia
26. Central Coast Regional Development Corporation
27. Regional Economic Development and Employment Strategy (REDES)

L. Flooding & Drainage Planning

28. Bangalow Creek & Cutrock Creek Floodplain Risk Management Study and Plan

M. Human Resources

29. Short term secondments of technical staff
30. Councillor induction training
31. Code of Conduct training
32. Professional Development courses

N. Customer Services & Communications

33. Art Trail Map
34. Visual Arts Venues
35. Joint Promotion of exhibitions and events

O. Performance Management, Internal Auditor

36. Audit services and probity advice
37. Corporate Reporting and Measures Systems

P. Finance

38. Joint submission to IPART for water authorities

Q. Information Management

39. Data sharing agreements in place for spatial data
40. Records Management: Central Coast Records Management group

R. NBN

41. joint advocacy for accelerated installation of fibre across the Central Coast

S. Supply

Current joint procurement arrangements include:

42. Water Meters and Associated Parts
43. Herbicides and Pesticides
44. Tyres
45. Specialised fittings
46. Bulk material

2.6 Central Coast Storm Event

TRIM REFERENCE: F2015/00040 - D11961098
MANAGER: Michael Whittaker, General Manager
AUTHOR: Andrew Pearce, Manager

SUMMARY

The following report provides a summary overview of the impacts and issues relating to the 20 - 23 April storm event on the Central community.

RECOMMENDATION

That Council receive the report on Central Coast Storm Event.

WYONG SHIRE COUNCIL

BACKGROUND

The Central Coast experienced a major storm event between 20 - 23 April 2015.

Wyang Shire Council Staff and various emergency services responded to significant damage caused by a huge number of fallen trees, downed power lines, localised flooding, isolated residents, and loss of telephone communications. Council utilised its external afterhours call center to take the overflow of calls and register service requests.

The Wyong Shire Emergency Operations Centre was activated on Tuesday 21 April and the various emergency services liaised with Council's Local Emergency Management Officer to coordinate response and communication resources.

Council staff and the emergency services are to be commended for their work in responding to the situation. Council will be holding staff recognition events and a formal civic ceremony to acknowledge the efforts of those involved.

Both Central Coast Councils were declared as natural disaster areas by the NSW State Government and are eligible for State Natural Disaster Relief and Recovery Arrangements (NDRRA). The major impacts to Wyong Shire included:

Lake flooding

- Tuggerah Lakes peaked at a level of 1.46m AHD at 8:00am on 23 April 2015,
- 12th largest flood on record (~ 1 in 8 year event)
- A number of lakeside and rural communities were isolated by flood waters for a number of days

Local Roads

- In excess of 90 roads in Wyong were closed due to flood, power lines and trees
- Council resources were committed over the period to removing trees and debris from roads and managing road closures.
- A number of minor landslips and damage to rural roads were experienced. A claim for \$500K in damage to roads has already been submitted through RMS for financial assistance under NDRRA arrangements.

Community Assets

- Damage occurred to a number of Council assets including jetties, community buildings and foreshore areas. 14 community buildings were damaged, 9 jetties destroyed or severely damaged, and various sections of lake Foreshore including 1 boat ramp require rebuilding.

Wyong State Emergency Service (SES)

- Responded to requests for assistance on private property, predominantly tree related.
- Total of Jobs in Wyong : 2560, largest number of calls across Hunter & Central Coast
- Flood Rescues: 9
- SES crews from across the state and interstate called to assist

Waste

- The significant number of fallen trees has resulted in large amounts of green waste being generated across both Council and private properties. It is estimated that well over 1000 trees have fallen across public property alone.
- The collection, transport and management of green waste remains one of the biggest issues and costs to Council following the event.
- Councils responded by opening up 6 strategically located greenwaste storage areas, including Buttonderry Waste Management Facility.
- Council has assisted the community to manage their waste volumes through:
 - Extra free collection of red bin for general waste - residents were able to book an extra collection of the red bin
 - Reduced charges for mixed waste brought to landfill following the waiving of EPA levy to June 30, 2015.
 - Extra free kerbside collection of green waste to assist in getting rid of tree debris around the home - residents were able to book extra kerbside green waste collection.
 - Residents were also able to drop off excess green waste at Council's Buttonderry Waste Management Facility, or a number of Emergency Green Waste Disposal Sites (former landfill sites at Gwandalan, Mardi, Toukley and Tumbi Umbi) for free up until May 19th.
- Council recently hired a large tub grinder and shredded an estimated 20,000m³ in only 2 days which will be recycled. A number of stockpiles estimated at 15,000m³ are yet to be processed and end use formalised.

Water and Sewer

- A number of water main breaks occurred following the uprooting of street trees. Downed trees and power lines impacted on repairs, but in all but one location where a bypass was required to be installed, services were reinstated in reasonable time.
- Council's Mardi Water Treatment Plant remained fully operational. Wyong Shire Council supplied both Hunter Water and Gosford City Council drinking water, with Gosford utilising approximately 20 ML of water per day throughout the event due to power and operational issues at Somersby Water Treatment Plant and Mangrove Weir.
- Full compliance was met with the Australian Drinking Water Guidelines at all times.
- Councils 6 Waste Water Treatment Plants (Mannering Park, Toukley, Wyong South, Gwandalan, Bateau Bay, Charmhaven) experienced outages at various times during the event however onsite flood storage capacity at the plants minimised overflows.
- 90 of Councils 146 wastewater pump stations were not operational at some time during the event due to power failures and localised flooding. Operational processes and generators were implemented to minimise overflows however some surcharges occurred and public health warnings issued.

Wyong Disaster Recovery Centre

- Ministry For Police and Emergency Services established a 'one stop shop' in Wyong LGA for storm affected residence to complement Disaster Recovery Centres in Dungog, Raymond Terrace and Cessnock
- Wyong Disaster Recovery Centre opened from 6th – 15th May 2015 within the Wyong Grove Community Hub on the corner of North Road and the Pacific Highway.
- Services with Disaster Recovery Centre included financial assistance and advice, temporary housing advice and support, insurance advice, mental health support, assistance for farmers and business support.
- 305 persons sought assistance from the Wyong Disaster Recovery Centre
- Council also offered up its civic centre during the event, offering showers, power, and refreshments.

Central Coast & Hunter Regional Recovery Committee

- Retired Brigadier Darren Naumann, appointed as the Central Coast & Hunter Regional Recovery Coordinator
- Intent of the Recovery Committee is to coordinate the recovery process working with and supporting Local and Regional recovery efforts for communities impacted by the 20 April storm event.
- Recovery Committee consists of Hunter and Central Coast Councils, emergency response agencies and utilities.

Future Issues with Cleanup

There remain substantial quantities of fallen trees and debris across Council's road reserves and open space areas which still require clean-up. This includes a large number of stumps and roots requiring the use of heavy earthmoving equipment and trucks to remove and reinstate landform.

Council must also manage the large stockpiles of greenwaste located at a number of locations from both Council operations and the community.

Guidelines and criteria support funding eligibility for Emergency and Restoration administered by NSW Public Works are highly restrictive. This restrictiveness will result in Council inevitably being financially burdened by the Natural Disaster. The current estimated cost to Council is in the order of \$3 million.

Emergency Works – 100% subsidy for the immediate debris clean-up (e.g. debris removal, tree pruning, drain clearing etc) of 'essential public assets' and works must be completed within 21 days post the disaster declaration. An extension has been sought through the Ministry for Police and Emergency Services but not yet agreed.

Examples of assets that are considered to be essential public assets include:

- road infrastructure, for example road signs, guard rails and traffic lights
- bridges
- tunnels
- footpaths
- culverts
- levees
- local government offices
- stormwater infrastructure.

Financial assistance is only available to cover additional external resources that council had to use to perform the work (e.g. agency staff, contract services, external plant hire, etc.). Council cannot claim for work performed by its usual salary and wages staff and equipment under the guidelines.

Financial assistance for open space, community buildings, recreational assets and management of green waste from private properties through such means as kerb side collections is also not eligible under the guidelines and there has been no indication of concessions being announced by the NSW Government at this time.

GOSFORD CITY COUNCIL

BACKGROUND

The East Coast Low storm that commenced on Monday 20 April 2015 created devastation across the Gosford Local Government Area as well as to Councils to our south and to the north into the Hunter Region.

Staff had been fully involved with responding to the impacts of the East Coast Low Storm of 20-22 April and the subsequent recovery process. Rainfall in the vicinity of 240mm was recorded from 9.00am on Monday 20 April to 9.00am on Wednesday 22 April. Throughout this period staff and emergency services were faced with unprecedented damage from downed trees, downed power lines, localised flooding and power outages to key water and sewer treatment plants. The significant issue from this storm was the extent of power outages caused by downed power lines.

Operational staff from Construction & Operations, Recreation Operations and Fleet supported by other available staff have and continue to work tirelessly in responding to this emergency. Council's call centre operated on the weekend of 25 & 26 April to support depot staff in receiving calls, to date in excess of 5000 calls have been received.

Rainfall commenced on Monday 20 April with one incident during that day being a tree falling on a vehicle in East Gosford. As the day and evening progressed significant wind gusts, in conjunction with the intense rainfall, caused a number of incidents which required staff response. Staff responded in what can only be described as most difficult conditions and are to be commended for their commitment to maintain the safety of our residents. As a result of the continuing wind and rain throughout the night, staff commenced to arrange additional response crews from 4.00am on Tuesday 21 April.

Report

The storms of 20-22 April 2015 created unprecedented damage throughout the Gosford Local Government Area. Every aspect of Council's operations were affected in responding to this emergency and in conjunction with all other emergency services, ensuring vital infrastructure was operational and residents safe from downed trees. The impact of the storm on Councils' assets and services are provide as follows:

Water & Sewer Services

The power outages created a number of significant issues for staff. From a water perspective, power to the Mangrove Dam and Mooney Dam Water Pump Stations was adversely affected thereby no water was able to be pumped to Somersby WTP for a period of time. As a result hire generators were sourced and set up at Mooney Dam to enable raw water to be pumped to Somersby. Ausgrid provided a priority to this issue and was able to provide power to Mangrove Dam Water Pump Station and then to Mooney Dam Water Pump Station. As a result there was minimal shortage of water throughout the City, generally due to water main breaks.

Unlike other storms the gusting winds caused significant movement of trees, whereby the root systems caused water mains to break. Whilst by-pass systems were put in place to service the local community, final repair works are unable to be undertaken until the trees were removed.

Council's two sewer treatment plants at Kincumber and Woy Woy were also impacted by power outages. It should be noted that these plants have two power services and both were adversely impacted. Partially treated effluent then discharged from Kincumber to the ocean outfall at Winney Bay and Woy Woy discharged similarly to the Brisbane Water. In addition, 92 of Council's 182 Sewer Pump Stations were impacted by power outages.

Woy Woy STP came back online at 10pm on Tuesday 21 April and Kincumber STP at 10am on Thursday 23 April. The Sewer Pump Stations were progressively put back online as Ausgrid reconnected power or by a series of generators that were moved to key pump stations. All were operating by Sunday 26 April. Staff undertook clean up operations at these pump stations and assisted residents as required. Council addressed the discharges as required by the EPA through Public Health Warnings, which were lifted on Wednesday 29 April.

Roads

As a result of downed trees and power lines up to 20 roads were closed until Ausgrid could attend to their power line asset. In other cases staff attended road sites to remove trees that were blocking traffic. There was some localised road flooding but generally in locations that are known to staff and appropriate signage was provided to advise motorists of the flooding. A feature of this event is that some very large trees had been uprooted and significant time was taken on some trees to cut and dispose.

Generally potholes occurred as a result of the storm and have now been repaired. As the emergency progressed into the recovery phase contractors were engaged to support the staff in removing downed trees across the Council area. The first sweep of the Council area was completed on 29 May 2015, with a second sweep to commence on Monday 1 June to pick up the balance of green waste on road reserves and as left on nature strips by residents.

Current assessment on tree removal is that the equivalent of 2600 trees have been picked up, chipped/disposed and another 1200 trees to be picked up through to 30 June. Green waste has been delivered to either Council's waste facilities for processing or to its Green Point site where a tub grinder has been operational during the clean up. Chipped material has been made available to residents at Hylton Moore Park in East Gosford, Rogers Park in Woy Woy or Frost Reserve in Kincumber.

A number of minor land slips and other damage is being collated in the preparation of Restoration of Essential Public Assets (REPA) funding submissions. It is estimated that this damage is in the vicinity of \$1M. Staff are working closely with the State Government staff in ensuring appropriate information is provided for successful submissions.

Waste Facilities

Both Kincumber and Woy Woy sites were closed due to power outages. Woy Woy came back on line on Friday 24 April. Kincumber came back on line at noon on Monday 27 April with residents able to use this facility.

The EPA have waived the Waste Levy for storm damage material and Council's portion of the fee has also been waived for green waste and storm related household/food waste. The exemption was initially to 19 May for green waste and household/food waste. The exemption has subsequently been extended to 30 June 2015 and is expected that green waste will continue to be delivered to the facilities by residents. Current data highlights that up to four times the number of visits to the waste facilities has occurred since the event. To assist in green waste pick up, arrangements were made with Council's waste contractor, Remondis, where residents were able to book an additional red bin pick up and book a green waste pick up. Whilst reviewed daily the bulk collection service was suspended temporarily to enable a focus on green waste, this arrangement concluded on 15 May to enable Remondis to recommence its bulk waste service.

Open and Natural Space

Due to the water logged condition of playing fields, all fields were closed on the weekend of 25 & 26 April, however were opened once conditions improved. There are significant trees down on Council's reserves and works are continuing to remove them from these locations. Council's open spaces and natural assets were significantly affected with the storms.

Gosford's twelve (12) popular beach locations suffered severe erosion, including sand that needed to be removed from nearby car parks and foreshore areas. There is also a loss of dune vegetation, beach access damage including infrastructure such as stairways and fencing. There is also damage to two (2) lifeguard towers with the shutter doors damaged due to the powerful winds.

The tree removal to the high number of reserves will take many months to complete, whilst assessments have been conducted and are still ongoing by staff. The damage to Gosford's one hundred and nine (109) playgrounds is minimal, with damage to numerous shade sails identified at this stage which will need replacing. The seawall, boat ramp and footpath at Patonga waterfront was severely damaged, which will need major repairs

Leisure and Cultural facilities including Peninsula Leisure Centre, Gosford Olympic Pool, Gosford Art Gallery and Laycock and Peninsula Theatre reopened on Monday 27 April, following a power outage to these facilities which were unable to operate and function properly. This resulted in loss of income for these busy community facilities. Laycock Theatre did experience some storm damage with a water leak coming through the building and planned shows were cancelled.

Emergency Operations Centre

Superintendent Danny Sullivan in his role as LEOCON initiated the Emergency Operations Centre on Tuesday 21 April with all emergency services, to which Council's Local Emergency Management Officer attended and liaised between that Centre and Council's operational staff. All services are to be commended for their response to this event.

Other Actions

The community had been hit hard with impacts on availability of electricity, access into and out of their homes, localised flooding and felled trees which impacted on their ability to live their daily and work lives. Central Coast Stadium was opened to offer showers and power to those without electricity. The Libraries, Child Care Centres and Seniors & Youth Centres also provided safe, warm havens for the community during and immediately after the event. Council's Communications team kept an ongoing stream of social media to advise residents of the status of the storm impact and where assistance could be obtained.

Ausgrid had a monumental task as up to 45,000 customers in the Gosford area were without power at the peak of this event. The loss of power impacted on Council's key facilities and staff were relentless in ensuring that Council's water supply and sewerage services were given priority by Ausgrid.

Disaster Funding

Council and 11 other Councils were disaster declared on Thursday 23 April. This provided the opportunity for residents and Council to access grant funds. For Council this relates to Natural Disaster Relief and Recovery Arrangements (NDRRA). Funding is available for Counter Disaster Operations (CDO) being for a 21 day period and restoration of essential public assets (REPA).

The Premier placed Brigadier Darren Naumann in charge of the recovery phase and an initial meeting of all Councils was held on Wednesday 29 April. Brigadier Naumann visited Gosford for a briefing on Thursday 30 April. The issue of only a 21 day CDO period has been raised with him and staff from the office of Premier and Cabinet to seek an Extension of Time for all Councils due to the time that will be required for tree removal alone. Further, the matter that Water & Sewer works are not eligible has also been raised.

The financial cost to Council at this stage has been significant and the NDRRA funding does not cover all aspects of the emergency response. At 30 June Council will have undertaken a response and recovery period of 72 days, the NDRRA Counter Disaster Operations funding is for a period of 21 days. This issue, in conjunction with the other 11 affected Councils, is at the forefront of discussion with the Regional Recovery Committee. State Government staff working with Brigadier Darren Naumann are working with Treasury tin seeking to extend the CDO period due to the unprecedented nature of this storm.

Financial figures for Gosford City Council, whilst preliminary at this stage, are expected to be in the vicinity of:

Counter Disaster Operations and Clean up - \$10M
Restoration of Essential Public Assets - \$1M

Council staff and the emergency services are to be commended for their work through the thousands of tasks that have come out of this event, as well as the community spirit in helping each other. Unfortunately this storm took the lives of four people through the greater region and condolences are extended to their family and friends.

ATTACHMENTS

Nil.

2.7 LGP Rebate Report

TRIM REFERENCE: F2010/00500 - D11961245

MANAGER: Robert Fulcher, Manager Contracts & Project Management

AUTHOR: John McCarthy; Team Leader Procurement and Stores

SUMMARY

To provide the CCROC with information regarding the LGP Rebate Offer.

RECOMMENDATION

- 1 That Council accept the offer from Local Government Procurement for the amended rebate offer and Vendor Panel licencing amendments.**
- 2 That Council authorise the agreement to be signed by authorised CCROC signatory.**

BACKGROUND

Gosford City Council (GCC) received a letter from Local Government Procurement (LGP) addressed to the Chief Executive Officer (CEO) dated 27/04/2015 (refer attachment A). The letter provides an update on current LGP initiatives including the LGP Group Rebate Offer and Vendor Panel licencing.

Gosford City Council (GCC) currently uses Local Government Procurement (LGP) contracts to procure goods and services. LGP contracts are used by Councils as they are a convenient and cost effective way to procure regularly used goods and services. As LGP is a prescribed agency under the Local Government (General) regulation 2005, thus enabling Councils to purchase goods and services without the need to tender themselves.

LGP receives a management fee from approved contractors providing services under their contracts. The management fee ranges from 0.5% to 3.5%, dependent on the contract and equates to an average of ~1.3% per contract. Currently the rebate to GCC averages between \$3k and \$7k.

Vendor Panel is used by LGP to manage vendors under their contracts. The software provides a secure portal for the management of quotation requests. LGP and Vendor panel offer Council's the use of this software for them to manage their own vendors and quotations. GCC currently uses Vendor Panel for both LGP contracts and GCC managed contracts. GCC are planning to expand the use of Vendor panel across the organisation (Pre-Qualified Contractor Register).

REPORT

LGP recognises the substantial role of Regional Organisation of Councils (ROCs) in supporting their Member Councils with procurement solutions that provide significant value. LGP also recognises the importance of working with such organisations in achieving the best procurement outcome for their members.

To encourage regional procurement initiatives LGP is proposing to amend the current rebate arrangement with GCC and Wyong Shire Council (WSC). Under the new arrangement the rebate share offer would be allocated to Central Coast Regional Organisation of Councils (CCROC).

The percentage being offered to CCROC is considerably higher than that of which GCC and WSC would receive if we continued to receive the rebate individually.

Based on 2013/2014 financial year GCC and WSC spent approximately \$7.6m combined on LGP contracts. Based on this expenditure the combined rebate would be \$7,257 (approx. \$3628 per Council). Under the new rebate offer and with no changes to the use of LGP contracts the rebate for CCROC would have been \$53,938.

These additional funds are to be reinvested into the implementation of best practice procurement practices including latest software releases (including Vendor Panel) and Joint Procurement initiatives between CCROC member Council's.

The letter also explains some amendments to Vendor Panel licencing, the proposed amendments are beneficial to GCC as they support the development of local panels.

FINANCIAL IMPACT STATEMENT

The acceptance of the offer would see additional funds of approximately \$46,681 per annum.

The recommendation does not impact on Council's financial position.

ATTACHMENTS

- | | | |
|---|--|-----------|
| 1 | Letter to Gosford CEO LGP Rebate Offer | D11961194 |
| 2 | CCROC LGP Agreement | D11961195 |



27 April 2015

Mr Paul Anderson
General Manager
Central Coast Regional Organisation of Councils (CCROC)
PO Box 21
GOSFORD NSW 2250

Sent via email: paul.anderson@gosford.nsw.gov.au

Dear Mr Anderson

This letter is to provide you with an update on some recent Local Government Procurement (LGP) initiatives and request your feedback.

As part of our strong commitment to supporting NSW councils, Regional Organisation of Councils (ROC's) and Joint Organisations (JO's) to become *Fit for the Future*, we are constantly challenging ourselves and the way we deliver services to ensure that we are doing the best we can to deliver the greatest benefit and value to the Local Government Sector. Sometimes this means LGP needs to take a holistic approach and at other times it means we need to try out new ideas and strategies on behalf of the sector. In every case though, our guiding principle is "what is best for councils, both now and in the future?"

As part of our commitment to helping councils become *Fit for the Future*, we are reviewing a number of our initiatives:

- **The LGP Group Rebate Offer;**
- **The VendorPanel Initiative; and**
- **The VendorPanel Initiative: Licensing Model.**

UPDATE – LGP Group Rebate Offer

As the landscape of NSW local government changes, so too must our model for supporting the sector. To this end we developed the new LGP Group Rebate Offer in order to help provide sustainable support to regional solutions. We have now communicated this new offer to all ROC's/JO's.

1

P: 02 8270 8700 ■ F: 02 8270 8711 ■ info@lgp.org.au ■ www.lgp.org.au
GPO Box 4742, Sydney NSW 2001

We have received and considered feedback from both councils and ROC's on the new offer. In response to this feedback we have reviewed our original offer and implemented changes as suggested.

Thank you for your support throughout the process. We now have an improved offer that is being accepted by ROC's and JO's across NSW.

If you are not aware of the new LGP Rebate Offer, please contact myself or your Business Manager. This is a commercial initiative to give ROC's and JO's greater funding; it is funded by the use of LGP Panels and supports ROC's and JO's to undertake initiatives that are best delivered at a regional level. This provides another opportunity to work together for the sector and provide high value complimentary services to support the initiatives of *Fit for the Future*.

UPDATE - VendorPanel Initiative

LGP began this initiative over 5 years ago because we recognised the need for a system of technology that would support better collaboration that would be at the heart of a successful sector.

In this respect we took a leadership position and invested upfront, so that by the time the sector really needed a collaborative platform, the technology had already developed and matured. With *Fit for the Future*, we think that the case for collaboration is even clearer.

In our role of supporting the sector, we are proud to have contributed toward the development of a platform that enables aggregation at the most appropriate level, and reduces unnecessary duplication and overlap.

LGP was instrumental in developing, launching and promoting the use of the VendorPanel software from its inception in 2010. Our motivation was to assist councils to increase governance, probity, efficiency and value in procurement. The initial pilot was limited to accessing LGP panels. This initiative won the Chartered Institute Procurement and Supply Australasia (CIPSA) Best Process Improvement Award.

On the basis of this success, in 2011 and 2012 we supported and promoted the provision of additional functionality so councils could manage quotes and compliance for their own panels and prequalified supplier lists. This has been taken up by a significant number of councils with very positive results for increased transparency, governance and value.

Also in 2012, building on this success, we then supported the development of further collaboration functionality to enable councils and ROC's to securely share access to their arrangements on either a local or regional basis. This initiative was yet another major leap forward in the use of technology to improve procurement processes in NSW

councils. This initiative won the CIPSA Best Use of Innovation Award in 2013, beating a strong field of submissions across both government and corporate entities.

At the LGP conference in December 2014, VendorPanel announced the release of the new VendorPanel Marketplace. This new initiative that means VendorPanel can also be used to get quotes from local suppliers in the open market. Not only does this help to improve processes in decentralised procurement, it also supports local economic development.

This latest iteration of our journey gets us even closer to our vision; to provide a one-stop-shop for council staff when they need to get quotations and in doing so deliver best practice governance, probity, efficiency and value.

Throughout this journey, we have endeavoured to reduce risk for councils, whilst being unyielding in our pursuit of best practice and innovation. This would not have been possible without the ongoing support and feedback of councils, the support of our peers across the National Procurement Network (NPN), as well as our technology partners Magnetised Markets who led the creation of VendorPanel.

From our perspective, this initiative has been an enormous LGP success and the solution is now a best practice platform that delivers real results for local government across Australia!

REQUEST - VendorPanel Initiative: Licensing Model

Innovation and progress requires a long term view... and risk.

One way that LGP supports councils is to have a healthy appetite for risk in trialling new ideas and innovations. In the case of VendorPanel, there has been a long series of initiatives, each one eventually delivering value, but along the way that meant we needed to manage those risks.

One of the ways we have mitigated risk is through managing the licensing of the software. This innovative technology is impressive, but it also presented a lot of unknowns and potential risks.

Now, given the maturity of the sector with the use of VendorPanel, the risk mitigation role that was previously provided by LGP is now no longer required; the technology is well proven and the company behind it has proven its stability and value.

For this reason, and based upon feedback from councils, we are currently reviewing the licensing terms for how councils upgrade their access to VendorPanel.

We are not changing the way councils currently use the LGP VendorPanel platform to access LGP panels – this will continue to be provided at no charge.

This review specifically relates to councils and ROC's/JO's who would like to purchase additional functionality (i.e. licence upgrade).

The feedback we have received to date is that the restrictions surrounding overlapping LGP and council panel contracts are causing confusion. Despite councils wanting to use LGP panels, these clauses may be problematic.

We believe that the current clauses do not convey our desired intent.

LGP is dependent on management fees from the use of our panels to be able to deliver our services and rebates to local government. In this regard we would prefer that overlapping contracts do not occur and we also are confident that our contracts offer excellent value and will continue on their own merit.

On this basis we are removing the two clauses that raised these concerns.

We are requesting any further feedback to identify any additional opportunities for the improvement of the VendorPanel licencing agreement.

We would greatly appreciate your support in this process. Whether you are an existing VendorPanel Upgrade Licence holder, a council or a ROC/JO who is interested in purchasing a license upgrade for this technology in the future, we would value your input.

Please contact me if you would like to provide input into the future of the VendorPanel licencing model.

Yours sincerely



Brian O'Mara
General Manager
Local Government Procurement



29 April 2015

Mr Paul Anderson
General Manager
Central Coast Regional Organisation of Councils (CCROC)
PO Box 21
GOSFORD NSW 2250

Dear Mr Anderson

Re: LGP Group Rebate Offer

Sometimes even the best of ideas need improvement – and based on your feedback to the LGP Group Rebate Offer, that is exactly what we have done. Having now met with the majority of ROCs and heard your feedback about our ROC offer, we have incorporated your suggestions and would now like to make a revised offer to you.

The key improvements we have made are:

- Clarification that participation by your Member Councils in the LGP Group Rebate Offer is not compulsory;
- Provision of a six monthly rebate not annual;
- Removal of the quarterly auditing of council spend by Central Coast Regional Organisation of Councils (CCROC);
- Clarification of how the LGP Group Rebate Offer is calculated; and
- Clarification that the use of the Notice of Participation is not an "exclusive use" arrangement, but rather a tool for procurement compliance.

These changes make a good offer even better for Central Coast Regional Organisation of Councils (CCROC) and your Member Councils.

The details of the updated LGP Group Rebate Offer are provided in the following document.

LGP look forward to continuing to provide your Member Councils with contracts and procurement services that are built around the best procurement practices for local government.

Please contact your local LGP Business Manager Michael Robinson on 0437 729 932 if you have any questions in regards to this offer. I would also be happy to take your call if I can assist.

Yours sincerely

A handwritten signature in black ink, appearing to read "Brian O'Mara", with a small flourish at the end.

Brian O'Mara
General Manager
Local Government Procurement

Local Government Procurement Group Rebate Offer

Between: Local Government Procurement Pty Ltd

And: Central Coast Regional Organisation of Councils (CCROC)

Dated: **29 April 2015**

This document outlines the details of an agreement between the above entities, relating to the Local Government Procurement Group Rebate Offer.

Background

Local Government Procurement (LGP) recognises the substantial role of Regional Organisation of Councils (ROCs) and Joint Organisations (JOs) in supporting their Member Councils with procurement solutions that provide significant value. LGP recognises the importance of working with such organisations in achieving the best procurement outcome for their members.

LGP has been 'prescribed' by the NSW Government to carry out group tenders on behalf of NSW councils. Councils can therefore procure deliverables from LGP contracts for values greater than the tendering threshold without the need to tender themselves. This provides for significant monetary, time and compliance benefits.

LGP receives a Management Fee from its Approved Contractors for the majority of its contracts. The Management Fee ranges from 0.5% to 3.5%, dependant on the contract and equates to an average of ~1.3% per contract. We understand this to be the lowest fee charged by any procurement aggregator in Australia.

LGP Group Rebate Offer

LGP is offering Central Coast Regional Organisation of Councils (CCROC) a rebated share of the Management Fee received by LGP from its Approved Contractors.

The level of rebate is based on the percentage of Central Coast Regional Organisation of Councils (CCROC) Member Councils using an individual LGP contract for the procurement of any deliverables which fall under the scope of that nominated LGP contract.

Percentage rebates payable and basis of calculation

Table 2 below specifies the percentage rebates payable to Central Coast Regional Organisation of Councils (CCROC) under this modified LGP Group Rebate Offer:

Table 1 – Standard LGP Rebate Offer

% of Member Councils using an LGP contract	ROC/JO rebate % of the LGP management fee
1 – 49%	20%
50 – 79%	37.5%
80 – 100%	50%

Table 2 – Modified LGP Rebate Offer: Central Coast Regional Organisation of Councils (CCROC)

% of Member Councils Using an LGP Contract	ROC/JO Rebate % of the LGP Management Fee
50% (1 of 2)	20%
100% (2 of 2)	50%

The LGP Group Rebate Offer rebate percentage is based on the number of Member Councils using the individual LGP contracts against the total number of Member Councils in the ROC/JO and not just those Member Councils who have agreed to participate in the agreement.

For instance if a ROC/JO has 10 Member Councils, then the % of usage would be calculated against all 10 councils, even if only 8 Member Councils participate in this agreement. Any management fee received by LGP as a result of purchases made by a non-signing Member Council will not be included in the LGP Group Rebate Offer calculations to Central Coast Regional Organisation of Councils (CCROC).

An example of how the LGP Group Rebate Offer operates in practice is detailed in Appendix 1.

Operation of the LGP Group Rebate Offer

1. Central Coast Regional Organisation of Councils (CCROC) Member Councils can elect to participate in the LGP Group Rebate Offer.
2. Central Coast Regional Organisation of Councils (CCROC) Member Councils must elect to participate in the LGP Group Rebate Offer by completing the Authorisation page at Appendix 2. Once an election to participate is made, Member Councils cannot exclude any procurement made via a specific LGP contract from inclusion in this LGP Group Rebate Offer.
3. Member Councils acknowledge and understand that the effect of participating in the LGP Group Rebate Offer is that all rebates under this arrangement will be made to Central Coast Regional Organisation of Councils (CCROC) and not individual Member Councils. The Group Rebate will be paid in entirety to Central Coast Regional Organisation of Councils (CCROC) by LGP and not to individual participating Member Councils.
4. Use of LGP contracts for all procurement that is covered by those contracts is not compulsory. While the LGP Group Rebate Offer automatically covers all purchases made under LGP contracts, Member Councils who participate in the

LGP Group Rebate Offer are encouraged, but are not compelled, to use all of the LGP contracts covered by this arrangement for all procurement that is covered by those contracts.

Procurement by Member Councils that is not via an LGP contract or that is made via other arrangements is not included in the calculation of any Central Coast Regional Organisation of Councils (CCROC) rebate amount.

5. Central Coast Regional Organisation of Councils (CCROC) Member Councils who choose not to participate in the LGP Group Rebate Offer, but who continue to purchase from LGP contracts directly will continue to be paid the standard council rebate. Such sales will not be included in the LGP Group Rebate Offer calculations to Central Coast Regional Organisation of Councils (CCROC).

Member Councils that choose not to participate in the LGP Group Rebate Offer do not have the option to include any procurement made via a specific LGP contract in this LGP Group Rebate Offer.

6. The LGP Group Rebate Offer automatically applies to any purchases made by the participating Member Councils from the first of the month following the date of completing the Authorisation page at Appendix 2, against all and any of the LGP contracts both current and future. The current LGP contracts covered by this arrangement are listed in Appendix 3. Future contracts established by LGP will be incorporated into this list and the current contracts section on the LGP website will contain an up to date incorporated list.
7. The Management Fee is the fee that LGP receives from LGP Approved Contractors for any purchases made by councils under an LGP contract after all or any consultancy fees are deducted. At the time of entering into this agreement, consultancy fees (up to 50% of the invoiced Approved Contractor Management Fee) are applicable to all electricity, gas and operating lease contracts. Future contracts may also include a consultancy fee component.

Rebates

8. The LGP Group Rebate Offer will be calculated from the 1st of the month following the date of a Member Council committing in writing to participate under this agreement. This will be paid in six monthly intervals.

LGP will provide individual Member Councils with a procurement spend report that covers all expenditure, by contract and by contractor, made by that Member Council in that six monthly period.

A copy of the participating Member Councils reports will be provided to Central Coast Regional Organisation of Councils (CCROC) at this time.

The purpose of the procurement spend report is to ensure that Approved Contractors are correctly reporting sales made to Member Councils under the LGP contract. It will allow LGP to promptly manage the non-reporting or incorrect reporting of such sales.

Central Coast Regional Organisation of Councils (CCROC) should encourage Member Councils to complete this review within the specified timeframe.

9. In the event of a disagreement on the procurement spend report figures this will be subject to a consultative confirmation process between LGP, Central Coast Regional Organisation of Councils (CCROC), the Member Council and the Approved Contractor. Any variation to the group rebate will be paid at the next six monthly cycle.
10. Central Coast Regional Organisation of Councils (CCROC) may choose to distribute the group rebate to Member Councils or use to support other Central Coast Regional Organisation of Councils (CCROC) activities. The decision on the use of the group rebate is the responsibility of Central Coast Regional Organisation of Councils (CCROC) Member Councils and not determined by LGP.

Member Council Participation and Offer Amendments

11. Central Coast Regional Organisation of Councils (CCROC) will be responsible for confirming to LGP the names of those Member Councils committing to participate under this LGP Group Rebate Offer within 14 days of the Member Council signing Appendix 2 of this agreement.
12. Non participating Member Councils who in the future decide to participate may be added to this agreement at any time by the Member Council signing Appendix 2 of this agreement.
13. Councils that cease to be Member Councils of Central Coast Regional Organisation of Councils (CCROC) or no longer wish to participate will be removed as participants of this offer. Central Coast Regional Organisation of Councils (CCROC) must advise LGP within 14 days of a Member Council ceasing to be a member of Central Coast Regional Organisation of Councils (CCROC) or electing to no longer participate.

The removal of a Member Council from the LGP Group Rebate Offer is effective from the first day of the month after the date by which the Member Council gives notice of cessation to Central Coast Regional Organisation of Councils (CCROC).

Purchases made by the leaving council on or after the above effective date will not be counted towards the LGP Group Rebate Offer covered by this arrangement. Purchases made prior to that date will be included.

14. Due to changes in legislation, future determinations by the LGP Board or any other extenuating circumstance, LGP reserves the right to retract or alter this offer at the end of any 6 month period. LGP will provide advice of this in writing six (6) weeks prior to the change coming into effect.

Notice of Participation

15. LGP encourage all Member Councils to complete and authorise a Notice of Participation (NOP) for each of the relevant LGP contracts covered by this agreement. The purpose of the NOP is to:
 - a) Ensure that all purchases by a council that are intended to be conducted under an LGP contract are done so, no matter the mechanism by which the procurement is made;
 - b) Ensure that compliance with legislative and regulatory requirements are met by advising LGP Approved Contractors that, unless otherwise stated, purchases by the council are to be under the Standing Offer Deed and scope of that LGP contract. This compliance is achieved in this case as all LGP contracts are conducted under LGP's prescription (Section 55 of the *Local Government Act 1993* (NSW)).
16. LGP will advise all Approved Contractors on the nominated LGP contract of the NOP supplied by Central Coast Regional Organisation of Councils (CCROC) Member Councils. All Approved Contractors will then be responsible and accountable for reporting to LGP any sales to a Member Council for deliverables covered by the scope of the LGP contract.
17. Central Coast Regional Organisation of Councils (CCROC) should encourage Member Councils to advise their staff of this agreement and to encourage that, where applicable, purchases that fall within the scope of the LGP contract should be made by the relevant LGP procurement process for that contract e.g. VendorPanel.

The NOP is not an "exclusive use" agreement. The NOP does allow for a council to inform an Approved Contractor that a particular purchase or group of purchases are to be via another agreement other than an LGP contract. Such purchases will not be included in any calculations for the LGP Group Rebate Offer to Central Coast Regional Organisation of Councils (CCROC).

Appendix 2: Current LGP Contracts (as at 29 April 2015)

LGP Contract
Engineering and Works
Bitumen, Emulsions and Asphalt Materials and Services (LGP213)
Horticultural, Pest, Pool and Water Management (LGP408-2)
Pipes, Associated Fixtures, Pumps & Concrete Products (LGP908-2)
Playground, Open Space and Recreational Infrastructure (LGP308-2)
Professional Consulting Services (Engineering, Planning, Environment, Community & Assets) (LGP1208-2)
Road and Traffic Signage, Associated Hardware and Roadside Products (LGP114)
Supply of Workwear and Personal Protective Apparel (NPN3.11)
Traffic Management Services (LGP113)
Fleet and Plant
Heavy Plant & Equipment (LGP707-3)
Mobile Garbage Bins, Industrial Containers & Bins, Static Compactors, Associated Products and Services (NPN1.11-2)
Small Plant & Outdoor Power Equipment (LGP508-2)
Specialised Truck Bodies & Machines: Waste Collection, Civic Cleaning, Removal and Access (LGP1608-2)
Trucks for Local Government (Aust.) (NPN04-13)
Supply, Fitting, Maintenance & Recycling of Tyres, Tubes and Automotive & Marine Batteries (NPN114)
Information Technology
IT&C Professional Consulting Services (LGP1008-2)
Microsoft Licensing and Associated Products & Services via Large Account Resellers (LGP108-2)
Operating Lease Services to cover Information and Communications Technology, Photocopiers, Printers & other Equipment. (LGP1107-2)
PCs, Notebooks, Servers & Associated Services & Equipment (LGP306-2)
Telecommunications Services (LGP407-2)
Services
Corporate Wardrobe (NPN2.11)
Debt Recovery Services (LGP109-2)
HR Temporary Placements & Associated Services (LGP808-2)
Library Books and Resource Materials (LGP507-2)
Media Sydney Metropolitan Daily Newspapers & On-line Recruitment (LGP106-2) and Advertising Agencies (LGP406-2)
Office Supplies & Janitorial (including: Heavy Duty Cleaning) & Associated Products (LGP1007-2)
Radio Frequency Identification (RFID) Systems, Equipment, Associated Products & Services (LGP309-2)
Utilities
Gas (Large and small sites)
Electricity (Large and Small Sites)

Definitions

Approved Contractor: means any person or organisation that has been appointed to the LGP panel after a rigorous tender process by LGP and who offers to supply services to customers directly or indirectly under the scope and conditions of a LGP Standing Offer Deed.

Joint Organisation of Councils: means an authorised agency established under the provisions of the *Local Government Act 1993* (NSW) that represents a partnership between Member Councils on matters of regional significance and that operates under the written authority and on behalf of those Member Councils on those matters.

Management Fee: means the fee LGP receives from LGP Approved Contractors for any purchases made by Member Councils under an LGP contract after all or any consultancy fees are deducted. The Management Fee ranges from 0.5% to 3.5%, dependant on the contract for most contracts.

In the case of the LGP electricity and gas contracts, LGP receive 50% of the Management Fee after payment of the consultancy fee to the appointed electricity and gas consultant.

In the case of the LGP operating lease contract LGP receive 50% of the Management Fee after payment of the consultancy fee to the appointed operating lease consultant.

Member Councils: means a voluntary collection of local government councils and their entities that form the membership of a county council or a group of councils or a ROC or a Joint Organisation established under the provisions of the *Local Government Act 1993* (NSW).

Notice of Participation: is a document that gives notice to Approved Contractors that, until further notice, all purchases of the type covered by the Standing Offer Deed for a nominated LGP contract will be made via that nominated LGP contract and will be covered under the terms and conditions of that Standing Offer Deed. Acceptance of this Notice of Participation by Member Councils is voluntary. Acceptance is required to be covered under the terms of this Agreement. Member Councils can accept or decline or request to be removed from the coverage of this Notice of Participation at any time.

Regional Organisation of Councils: means an authorised agency established under the provisions of the *Local Government Act 1993* (NSW) that represents a partnership between Member Councils on matters of regional significance and that operates under the written authority and on behalf of those Member Councils on those matters.

Standing Offer Deed:

The Standing Offer Deed (Standing Offer) is the header agreement between LGP and panel suppliers and outlines the agreed contract terms and approved deliverables under the standing offer agreement. The Standing Offer outlines the obligations of LGP and panel suppliers in relation to the operation of the panels and covers areas

such as the fees chargeable, period of the agreement, and approved category and service areas. The Standing Offer also specifies the Customer Contract terms and conditions that apply when deliverables are procured from a panel supplier by an LGP Customer. Under the Standing Offer, panel suppliers undertake to provide deliverables to LGP and LGP Customers as required.

Local Government Procurement Group Rebate Offer Agreement

Between: Local Government Procurement Pty Ltd

And: Central Coast Regional Organisation of Councils (CCROC)

Dated: 29 April 2015

Authorised on behalf of Local Government Procurement Pty Ltd

Name: Brian O'Mara

Signature:  _____

Position: General Manager, Local Government Procurement Pty Ltd

Dated: 29 April 2015

Authorised on behalf of Central Coast Regional Organisation of Councils (CCROC) Member Councils

Name: _____

Signature: _____

Position: _____

Dated: _____

**Local Government Procurement Group Rebate Offer
Implementation Process**

In order to facilitate the smooth implementation of the Central Coast Regional Organisation of Councils (CCROC) LGP Group Rebate Offer, it is suggested that the following steps occur:

1. Obtain any Central Coast Regional Organisation of Councils (CCROC) Member Council authorisations required (Appendix 2);
2. Authorised signatory to sign the LGP Group Rebate Offer Agreement on behalf of Central Coast Regional Organisation of Councils (CCROC);
3. Provide LGP with any relevant signed LGP contract Notice of Participation forms;
4. Return all documentation to Emma Murray, Marketing and Administration Manager at emurray@lgp.org.au; and
5. LGP will forward the Notice of Participation to the relevant Approved Contractors advising them of your Member Council's participation.

Feel free to contact your regional LGP Business Manager, Michael Robinson on 0437 729 932 if you have any questions in regards to this offer.