



Southern Grampians
SHIRE COUNCIL

Council Meeting Agenda

Ordinary Meeting
12 February 2020

To be held at 5.30pm in the Council
Chambers at 5 Market Place, Hamilton

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1 Membership

Councillors

Cr Chris Sharples, Mayor
Cr Colin Dunkley, Deputy Mayor
Cr Cathy Armstrong
Cr Mary-Ann Brown
Cr Albert Calvano
Cr Greg McAdam
Cr Katrina Rainsford

Officers

Mr Michael Tudball, Chief Executive Officer
Ms Evelyn Arnold, Director Community and Corporate Services
Mr Andrew Goodsell, Director Planning and Development
Mr David Moloney, Director Shire Infrastructure
Ms Karly Saunders, Governance Coordinator

2 Welcome and Acknowledgement of Country

Please note: All Council meetings will be audio recorded, and may be livestreamed to Council's social media platform, with the exception of matters identified as confidential items in the Agenda.

By participating in open Council meetings, individuals consent to the use and disclosure of the information they share at the meeting (including any personal and/or sensitive information).

Other than an official Council recording, no video or audio recording of proceedings of Council Meetings will be allowed without the permission of Council.

3 Prayer

4 Apologies

5 Confirmation of Minutes

RECOMMENDATION

That the Minutes of the Ordinary Meeting of Council held on 11 December 2019 be confirmed as a correct record of business transacted.

6 Declaration of Interest

7 Questions on Notice

Questions from the public must be submitted prior to the commencement of Council Meetings.

All questions must be submitted through completion of the Public Question Time form, and be forwarded to the Chief Executive Officer at 111 Brown Street, Hamilton. All questions must be received by no later than 5pm on the Monday before the Ordinary Meeting of Council.

Questions must:

1. Not pre-empt debate on any matter listed on the agenda of the Ordinary Meeting at which the question is asked
2. Not refer to matters designated as confidential under the Local Government Act 1989.
3. Be clear and unambiguous and not contain argument on the subject.
4. Not be derogatory, defamatory or embarrassing to any Councillor, member of staff, ratepayer or member of the public, nor relate to a matter beyond the power of Council.

If the member of the public is in attendance at the Council Meeting the Mayor will read the question aloud and provide a response. If a question cannot be answered at the meeting, a written response will be prepared and forwarded to the person raising the question.

Residents do not need to attend the meeting for a question to be answered. If they do not attend the meeting a written response will be provided.

There are no Questions on Notice listed on tonight's agenda.

8 Public Deputations

Requests to make a Public Deputation to Council must be submitted prior to the commencement of the Council Meeting.

Anyone wishing to make a deputation to Council must complete the Request to Make a Deputation form and forward it to the Chief Executive Officer at 111 Brown Street, Hamilton by no later than 5pm on the Monday before the Ordinary Meeting of Council.

Speaking time is limited to 3 minutes per person. Organisations may be represented at the deputation to Council by not more than 4 representatives. The names of the representatives to attend must be advised in writing to the Chief Executive Officer and 1 of the representatives to attend must be nominated as the principal spokesperson for the deputation.

Deputations wishing to make a written submission to the Council must a copy either electronically or hard copy of the submission to the Chief Executive Officer prior to the Ordinary Council Meeting. One copy will be made available to the local media representative, if requested.

All members of the public addressing the Council must extend due courtesy and respect to the Council and the processes under which it operates. If a member of the public fails to do this the Chairperson can remove them from the Chambers. All members of the public must also comply with Council's Public Participation at Council Meetings policy in relation to meeting procedures and public participation at meetings.

There are no Public Deputations listed on tonight's agenda.

9 Records of Assemblies of Councillors

Written records of Assemblies of Councillors must be kept and include the names all Councillors and members of Council staff attending the meeting, the matters considered, any conflicts of interest declared and when the person/s with a conflict left and returned to the meeting.

Pursuant to section 80A (2) of the Act, these records must be, as soon as practicable, reported at an ordinary meeting of the Council and incorporated in the minutes of that meeting.

Section 3 of the Local Government Act 1989 defines as Assembly of Councillors as:

1. A meeting of an advisory committee of the Council, if at least one Councillor is present; or
2. A planned or scheduled meeting of at least half of the Councillors and one member of Council staff;

which considers matters that are intended or likely to be:

- a) The subject of a decision of the Council; or
- b) Subject to the exercise of a function, duty or power of the Council that has been delegated to a person or committee.

As there are some meetings which may or may not be classed as an Assembly of Councillors depending on who is present and the topics that are discussed Southern Grampians Shire Council records these meetings as an Assembly of Councillors to ensure that transparency in relation to these meetings is publicised.

An Assembly of Councillors record was kept for:

- Hamilton Showgrounds Masterplan Meeting – 15 January 2020
- Briefing Session – 29 January 2020

This agenda was prepared on 5 February 2020. Any Assemblies of Councillors between that date and the date of tonight's Meeting will appear in the agenda for the next Ordinary Meeting of Council.

RECOMMENDATION

That the record of the Assembly of Councillors be noted and incorporated in the Minutes of this Meeting.

ASSEMBLY OF COUNCILLORS



Southern Grampians
Shire Council

ASSEMBLY DETAILS	
Title:	Hamilton Showgrounds Masterplan Meeting
Date:	15 January 2020
Location:	Martin J Hynes Auditorium
Councillors in Attendance:	Cr Chris Sharples. Mayor Cr Greg McAdam Cr Albert Calvano Cr Katrina Rainsford
Council Staff in Attendance:	Michael Tudball – Chief Executive Officer Evelyn Arnold – Director Community & Corporate Services

The Assembly commenced at 6.00pm

MATTERS CONSIDERED		CONFLICTS OF INTEREST DECLARED
1	Welcome & Introduction	Nil
2	Hamilton Brass Band Submission	Nil
3	Hamilton SES Submission	Nil
4	Western District Umpires Association Submission	Nil
5	Hamilton Lions Club Submission	Nil
6	Greater Hamilton Archery Submission	Nil
7	Hamilton Kennel Club Submission	Nil
8	Hamilton P & A Society Submission	Nil
9	Next Steps for Council Submission	Nil

The Assembly concluded at 7.30pm

ASSEMBLY OF COUNCILLORS



Southern Grampians
Shire Council

ASSEMBLY DETAILS	
Title:	Council Briefing Session
Date:	29 January 2020
Location:	MJ Hynes Auditorium
Councillors in Attendance:	Cr Chris Sharples, Mayor Cr Colin Dunkley, Deputy Mayor Cr Cathy Armstrong Cr Mary-Ann Brown Cr Albert Calvano Cr Greg McAdam Cr Katrina Rainsford
Council Staff in Attendance:	Michael Tudball, Chief Executive Officer Evelyn Arnold, Director Community and Corporate Services David Moloney, Director Shire Infrastructure Andrew Goodsell, Director Planning and Development Rhassel Mhasho, Manager Planning and Regulatory Service Amy Knight, Cultural Arts Executive Officer Karly Saunders, Governance Coordinator Rohit Srivastava, Manager Assets

The Assembly commenced at 12:30pm

MATTERS CONSIDERED		CONFLICTS OF INTEREST DECLARED
1	Matters Raised by Council	Nil
2	Whyte Street Coleraine – Renaming	Nil
3	Community Infrastructure Loan Scheme Guidelines	Nil
4	ARC External Member Appointment	Nil
5	Annual Plan Quarterly Report	Nil

6	Confidential Staffing Briefing	Nil
7	Capital Works Report	Nil
8	Use and Development for Stone Extraction	Nil
9	Art Gallery Service Review	Nil
10	Policy Review (Council Policies)	Nil
11	Confidential Information Policy	Nil
12	Coleraine Landfill Capping	Nil
13	Variation to Industrial Land Contract	Nil

The Assembly concluded at 5:00pm

10 Management Reports

10.1 Annual Plan Quarterly Report

Directorate: Evelyn Arnold, Director Community and Corporate Services
Author: Karly Saunders, Governance Coordinator
Attachments: 1. Action and Task Progress Report

Executive Summary

The Action and Task Progress Report for the period 1 July 2019 to 31 December 2019 has been prepared to provide information regarding the performance of the organisation against the Annual Plan.

Discussion

The Annual Plan is developed each year to assist in the delivery of the Council Plan objectives and to demonstrate to the community the key projects to be delivered that year. The Annual Plan sets out the specific actions and includes a detailed list of Council's activities and initiatives for the upcoming financial year. These initiatives are projects that are undertaken over and above normal service delivery and are intended to attain important outcomes for Council and the community.

Reports on the progress of the Annual Plan are reported to Council quarterly. This allows Council to receive timely, relevant and measurable information about how the organisation is performing. This in turn allows Council an opportunity to raise concerns about performance in a timely manner. The Annual Plan reporting will also help formulate the Annual Report and support the reporting against the Council Plan each year.

There are currently 68 actions from the Annual Plan and Council Plan. Of these 68 actions:

- 56 actions (82%) are on track - at least 90% of the target achieved;
- 4 actions (6%) require monitoring –between 70% and 90% of the target achieved;
- 8 actions (12%) are off track – less than 70% of target achieved; and
- 0 actions (0%) have no target set

Details about the specific performance of the Annual Plan actions is detailed in the attached Action and Task Progress Report.

Legislation, Council Plan and Policy Impacts

Council is required to adopt a Council Plan in accordance with section 125 of the Local Government Act 1989. This Plan is supported by the development of an Annual Plan which details the actions that will be undertaken to achieve the strategic objectives in the Council Plan.

Reporting on the Annual Plan is to be presented to Council quarterly so that Council can regularly monitor the performance of the organisation.

Disclosure of Interests

All Council Officers involved in the development and advice provided in this Report affirm that no direct or indirect interests need to be declared in relation to any matters in this Report.

RECOMMENDATION

That the Action and Task Progress Report for 1 July 2019 to 31 December 2019 be received.

10.2 Audit & Risk Committee External Appointment

Directorate: Evelyn Arnold, Director Community and Corporate Services
Author: Evelyn Arnold, Director Community and Corporate Services
Attachments: None

Executive Summary

Council's Audit Committee is established in accordance with section 139 of the Local Government Act 1989. Membership comprises two independent members and two Councillors.

The membership of one of the current external members - Mr Brian Densem is due to expire on 9 March 2020.

After consultation with Mr Densem it is recommended that Council appoint Mr Densem to be an external member for the Audit and Risk Committee for a further term of three years, expiring on 12 March 2023.

Discussion

The Audit & Risk Committee Charter states that

"Independent members shall be appointed for a term of three years, after which time Council can choose to exercise an option to renew the appointment for another term. Independent members can only serve for two consecutive terms without public advertisement.."

The recommendation to reappoint Mr Densem, provides Council and the Committee with the opportunity to continue to benefit from Mr Densem's extensive experience which includes a number of years of involvement in a number of key elements of audit and risk.

Financial and Resource Implications

There are no financial or resource implications resulting from the recommendation in this report.

Legislation, Council Plan and Policy Impacts

Section 139(1) of the Local Government Act 1989 ("the Act") states that Council must establish an audit committee.

Risk Management

The primary objective of the Audit & Risk Committee is to assist Council in the effective conduct of its responsibilities for financial reporting, management of risk, maintaining a reliable system of internal controls and compliance and facilitating the organisation's governance development.

In achieving its primary objective, the Committee in turn ensures that Council achieves its social, economic and environmental objectives in a fair, transparent and open manner.

Environmental and Sustainability Considerations

There are no environmental or sustainability implications resulting from the recommendation in this report.

Community Consultation and Communication

Appointment of independent persons to the Audit & Risk Committee ensures an objective and external view of Council financial and organisational risk. Mr Densem was consulted with directly as were the Audit and Risk committee in general.

Disclosure of Interests

All Council Officers involved in the development and advice provided in this Report affirm that no direct or indirect interests need to be declared in relation to any matters in this Report.

RECOMMENDATION

That Council appoint Mr Brian Densem as an external member of the Audit & Risk Committee for a term of three years concluding on 12 March 2023.

10.3 Finance Report

Directorate: Evelyn Arnold, Director Community and Corporate Services
Author: Belinda Johnson, Manager Finance
Attachments: 2. Finance Report to 30 September 2019
3. Finance Report to 31 December 2019.

Executive Summary

The Finance Reports for the quarters ended 30 September 2019 and 31 December 2019 (copies attached) are presented for information.

Discussion

The Finance Report contains the Standard Statements namely:

- Comprehensive Income Statement,
- Balance Sheet,
- Statement of Cash Flows,
- Statement of Capital Work and
- Statement of Human Resources.

The Report also includes information on cash balances, current borrowing ratios and debtor balances.

Detailed narratives accompany each of the statements.

Legislation, Council Plan and Policy Impacts

Council Plan

The finance report provides interim information on the financial progress of the achievement of the Annual Budget. Financial sustainability and compliance with our annual budget are specifically identified as strategies within the Council Plan.

Legislation

Section 138 of the Local Government Act 1989 requires that at least every three months, the CEO must ensure that a statement comparing the budgeted and actual revenue and expenditure for the financial year is presented to the Council at a Council meeting which is open to the public.

Financial reports are generally prepared following the month ends of September, December, January, February, March, April & May. The June report forms part of Council's Annual Report.

Council is also required to implement the principles of sound financial management detailed in Section 136 of the Local Government Act 1989 which states:

- 1) A Council must implement the principles of sound financial management.
- 2) The principles of sound financial management are that a Council must-
 - (a) manage financial risks faced by the Council prudently, having regard to economic circumstances;

- (b) pursue spending and rating policies that are consistent with a reasonable degree of stability in the level of the rates burden;
 - (c) ensure that decisions are made and actions are taken having regard to their financial effects on future generations;
 - (d) ensure full, accurate and timely disclosure of financial information relating to the Council.
- 3) The risks referred to in subsection (2)(a) include risks relating to-
- (a) the level of Council debt;
 - (b) the commercial or entrepreneurial activities of the Council;
 - (c) the management and maintenance of assets;
 - (d) the management of current and future liabilities;
 - (e) changes in the structure of the rates and charges base.

Disclosure of Interests

All Council Officers involved in the development and advice provided in this Report affirm that no direct or indirect interests need to be declared in relation to any matters in this Report.

RECOMMENDATION

That the Finance Reports for the Quarter ended 30 September 2019 and 6 months to 31 December 2019 be received.

10.4 Confidential Information Policy

Directorate: Evelyn Arnold, Director Community and Corporate Services
Author: Karly Saunders, Governance Coordinator
Attachments: 4. Confidential Information Policy

Executive Summary

The purpose of this report is to seek Council resolution to adopt a new Confidential Information Policy.

This policy provides guidance to councillors and staff in identifying, assessing, managing and reporting on the use and / or misuse of confidential information.

Discussion

The purpose of the policy is to ensure that councillors and staff are made aware of their obligations and responsibilities concerning access to and disclosure of, confidential information associated with any council business or activities.

The Confidential Information Policy was first adopted by Council 8 September 2010 with subsequent reviews in 2012 and 2014.

The policy has been updated to provide a more comprehensive overview of Council's legislative responsibilities in accordance with the *Local Government Act 1989*.

The main changes include:

- Provides examples of what is considered 'confidential' and 'information'
- Highlights the importance of managing confidential information appropriately
- Outlines statutory provisions (sections 77 and 89) of the *Local Government Act 1989*
- Outlines the process in place for the CEO to determine an item as confidential, in accordance with the *Local Government Act 1989*
- Outlines Councillor and staff responsibilities
- Details the process for destroying confidential hardcopies
- Outlines confidentiality requirements in relation to Council Meetings and Council Briefings
- Accountability process for Councillors and staff
- Outlines how confidential information will be managed in relation to being securely circulated to staff and Councillors

Financial and Resource Implications

This report has no financial or resource implications.

Legislation, Council Plan and Policy Impacts

Council Plan 2017 -21

5.1 Provide transparent and responsible governance

5.1.2 Ensure responsible, effective and efficient use of Council resources.

Meets the requirements of the *Local Government Act 1989*, specifically sections 77 and 89 (2) of the Act.

Risk Management

N/A

Community Consultation and Communication

N/A

Disclosure of Interests

All Council Officers involved in the development and advice provided in this Report affirm that no direct or indirect interests need to be declared in relation to any matters in this Report.

RECOMMENDATION

That:

1. Council resolves to adopt the Confidential Information Policy; and
2. Council rescind the previous version of the policy.

10.5 Planning Application TP/84/2019 – 3807 Nareen Road, Culla – Use and Development for Stone Extraction (Quarry)

10.5.1 Speakers

1. Sue Finn
2. Monica Perks

10.5.2 Management Report

Directorate: Andrew Goodsell, Director Planning and Development
Author: Roslyn Snaauw, Coordinator Planning
Attachments: 5. Application documents which includes a copy of the statutorily endorsed Work Plan WA006643.
6. Copy of objections received.

Executive Summary

That Council having not caused notice of Planning Application No. TP/84/2019 to be given under Section 52 of the *Planning and Environment Act 1987*, and having considered all the matters required under Section 60 of the *Planning and Environment Act 1987*, decides to issue a Notice of Decision to Grant a Permit under the provisions of the Southern Grampians Planning Scheme in respect of the land known and described as 3807 Nareen Road Culla (Plan of Consolidation 103951 & Lots 1 & 2 on Title Plan 131070J – otherwise referred to here as ‘the subject land’), for the use and development of land for stone extraction (gravel) in accordance with the endorsed plans, subject to conditions:

Background

Recently, application TP/83/2017 for the use and development for stone extraction (small quarry) on the subject land was approved by Southern Grampians Shire Council on 12 December 2018. The extraction area approved was for a small quarry with an area of 1 hectare (100 metres x 100 metres) and a depth of two (2) metres. This permit approved the extraction of an estimated volume of 20,000 cubic metres, including top soil. Crushing of the material was to take place on site with no blasting proposed. Subsequently, works have commenced on this small quarry in accordance with the approved planning permit.

This new application (TP/84/2019) was lodged by the McClure Rock Company Pty Ltd on 4 September 2019 with Southern Grampians Shire Council, for the extraction of gravel (basalt rock) for the purpose of high grade crushed rock primarily for local area road construction, maintenance and upgrades to new roads. As this application is not for a small quarry, a Work Plan (statutorily endorsed by the Department of Jobs, Precincts and Regions) endorsed under section 77TD of the *Mineral Resources (Sustainable Development) Act 1990*, with written notice of the statutory endorsement under section 77TD(1) of the *Mineral Resources (Sustainable Development) Act 1990* and a condition specified under section 77TD(3) of the *Mineral Resources (Sustainable Development) Act 1990* was submitted with the application.

It is proposed to extract rock from the cone shaped hill over four (4) stages within the endorsed work authority boundary of approximately 16 hectare. The extraction volume to be extracted over approximately 47 years will be approximately 711,000m³.

The proposed hours of operation for the above ground operations and processing will be Monday to Friday 7:00am to 6:00pm, Saturday 7:00am to 1:00pm. Sales will be conducted

Monday to Friday from 6:00am to 6:00pm and on a Saturday 6:00am to 2:00pm. No operations, sales or processing will be conducted on a Sunday or Public Holiday.

This application for rock extraction includes the requirement of blasting which will be conducted by a suitably qualified contractor with no explosives to be stored on site. It is proposed that one to four blasts will occur per year.

A 20 metre buffer zone will be provided around the perimeter of the site with the staff room, toilets and carpark located within this buffer zone. Screening plantations are proposed at a number of locations around the processing areas and outside the extraction area. Existing vegetation including roadside vegetation will assist in providing a further visual screen to the development.

Access to the site is existing and will remain unchanged from Nareen Road in Culla with predicated traffic volumes totalling 4000 vehicle movements, to and from the site per year, of approximately 5 loads per day over a 5 day week. Truck configuration will typically consist of a 13 tonne tip truck or a 30 tonne tip truck with a tri-axle trailer.

As a result of the public notification process, eleven (11) objections have been received. Concerns raised relate to increased traffic and worsening road conditions, use of land for agricultural purposes, noise, dust, visual amenity, impacting on camping on farms, vibration, blasting, damage to environment, hours of operation, impact on livestock, impact on movement of livestock, loss of quiet enjoyment, mental health.

The application (including the statutory endorsed Work Plan) was referred to all relevant agencies who have no objection to the issue of a planning permit subject to conditions if issued.

It is recommended that a Notice of Decision to Grant a Permit be issued subject to conditions.

Subject site and locality

The subject site is known as 3807 Nareen Road in Culla and has a total site area (all lots) of 118.66 hectare. This site is located in the north west of the Shire sharing a border with West Wimmera Shire Council and is currently used for agricultural purposes along with the operation of a small quarry approved under TP/83/2017.

The subject site has an irregular configuration with undulating topography and is collectively known as 3807 Nareen Road in Culla containing titles CP103951 and Lots 1 & 2 on TP131070J. CP103951 has a total lot area of 98.11 hectares and will contain the majority of the proposed quarry site. Dissecting this lot in the north east portion is Lot 2 on TP131070J which forms part of a former Government Road and Lot 1 on TP131070J. Access to the site is existing and to the east from Nareen Road. The access and driveway have recently been upgraded to Council standards for the use as a quarry.

The subject site is located within the Farming Zone and used for agricultural purposes and is not affected by any overlays. It should be noted that the subject site is located within an area of Cultural Heritage Sensitivity pursuant to the *Aboriginal Heritage Regulations 2007* for the purpose of quarrying which is a high impact activity. A Cultural Heritage Management Plan has been approved by the Cultural Heritage Coordinator, Gunditj Mirring Traditional Owners Aboriginal Corporation and has been submitted as part of this application.

The subject site contains Pigeon Ponds Creek which meanders through CP103951 from north to south and is located to the west and south of the proposed quarry area.

Southern Grampians Planning Scheme Planning Controls

Planning Policy Framework (PPF)

The Planning Policy Framework (PPF) and the Local Planning Policy Framework give direction supporting the objectives of planning in Victoria (as set out in Section 4 of the *Planning and Environment Act 1987*) and are fostered through appropriate land use and development policies and practices.

The Planning Policy Framework includes a number of policies that relate to this proposal.

Clause 11 Settlement

Planning is to recognise the need for, and as far as practicable contribute towards health, wellbeing and safety, economic viability, prevention of pollution to land, water and air, protection of environmentally sensitive areas and natural resources.

At the state level, Clause 11.01-1S Settlement, has the objective to promote the sustainable growth and development of Victoria and deliver choice and opportunity for all Victorians through a network of settlements which is further supported at the regional level in Clause 11.01-1R to support growth and economic opportunities throughout the region.

At the state level, Clause 11.03-6 Regional and local places, has the objective to facilitate integrated place-based planning with a strategy to consider the distinctive characteristics and needs of regional and local places in planning for future land use development.

Clause 12 Environmental and Landscape Values

Planning should help to protect the health of ecological systems and the biodiversity they support (including ecosystems, habitats, species and genetic diversity) and conserve areas of identified environmental and landscape values.

At the state level, Clause 12.01-1S Protection of biodiversity has the objective to assist the protection and conservation of Victoria's biodiversity. Clause 12.01-2S relates to native vegetation management with the objective to ensure that there is no net loss to biodiversity as a result of the removal, destruction or lopping of native vegetation. Clause 12.03-1S River corridors, waterways, lakes and wetlands has the objective to protect and enhance river corridors, waterways, lakes and wetlands. A strategy to achieve these objectives are to minimise impacts from the removal, destruction or lopping of native vegetation that cannot be avoided.

Clause 13 Environmental Risks and Amenity

Planning should aim to avoid or minimise natural and human-made environmental hazards, environmental degradation and amenity conflicts and should identify and manage the potential for the environment and environmental changes to impact on the economic, environmental or social wellbeing of society.

At the state level, Clause 13.05-1S Noise, has the objective to assist the control of noise effects on sensitive land uses with a strategy to ensure that development is not prejudiced and community amenity is not reduced by noise emissions using such things as land use separation techniques as appropriate to the land use functions and character of the area. Clause 13.04-2S Air quality management, has the objective to assist the protection and improvement of air quality with a strategy to ensure, wherever possible, that there is suitable

separation between land uses that reduce air amenity and sensitive land uses. Clause 13.07-1S Land use compatibility, has the objective to safeguard community amenity while facilitating appropriate commercial, industrial or other uses with potential off-site effects. Strategies to ensure the compatibility of a use or development as appropriate to the land use functions and character of the area by directing land uses to appropriate locations and by using a range of building design, urban design, operational and land use separation measures.

Clause 14 – Natural Resource Management

Planning is to assist in the conservation and wise use of natural resources including energy, water, land, stone and minerals to support both environmental quality and sustainable development.

Planning should ensure that agricultural land is managed sustainably, while acknowledging the economic importance of agricultural production.

At the state level, Clause 14.01-1S Protection of agricultural land, has the objective to protect the state's agricultural base by preserving productive farmland with a strategy to avoid permanent removal of productive agricultural land from the state's agricultural base without consideration of the economic importance of the land for the agricultural production and processing sectors. Consideration of a proposal should include the compatibility between the proposed or likely development and the existing use of the surrounding land and to balance the potential off-site effects of a use and development proposal against the benefits of the proposal. Clause 14.03-1S Resource exploration and extraction, has the objective to encourage exploration and extraction of natural resources in accordance with acceptable environmental standards. Strategies are:

- to protect the opportunity for exploration and extraction of natural resources where this is consistent with the overall planning considerations and acceptable environmental practice;
- to develop and maintain buffers around mining and quarrying activities
- ensure planning permit applications clearly defining buffer areas appropriate to the nature of the proposed extractive uses, which are to be owned or controlled by the proponent of an extractive industry
- determine buffer areas between extractive activities and sensitive land uses

Also at a state level is Clause 14.02-2S Water quality, which has the objective to protect water quality with a strategy to ensure that land use activities potentially discharging contaminated runoff or wastes to waterways are sited and managed to minimise such discharges and to protect the quality of surface water and groundwater resources, rivers, streams, wetlands, estuaries and marine environments.

At the state level Clause 14.03-1S Resource exploration and extraction, has the objective to encourage exploration and extraction of natural resources in accordance with acceptable environmental standards. Relevant strategies are:

- Protect the opportunity for exploration and extraction of natural resources where this is consistent with overall planning considerations and acceptable environmental practice
- Recognise the possible need to provided infrastructure for the exploration and extraction of natural resources.

- Develop and maintain buffers around mining and quarrying activities
- Ensure planning permit applications clearly define buffer areas appropriate to the nature of the proposed extractive uses, which are to be owned or controlled by the proponent of an extractive industry and
- Determine buffer areas between extractive activities and sensitive land used

At the regional level, Clause 14.03-1R Resource exploration and extraction – Great South Coast, whilst having no objective the strategy is to facilitate access to key construction material resourced in the region, including on-site quarrying.

Clause 15 Built Environment and Heritage

At the state level, Clause 15.03-2S Aboriginal cultural heritage, has the objective to ensure the protection and conservation of places of Aboriginal cultural heritage significance.

Clause 17 - Economic Development

Planning is to provide for a strong and innovative economy where all sectors are critical to economic prosperity and to contribute to the economic wellbeing of the state and foster economic growth by providing land, facilitating decisions and resolving land use conflicts, so that each region may build on its strengths and achieve its economic potential.

At the state level, Clause 17.01-1S Diversified economy, has the objective to strengthen and diversify the economy with strategies to facilitate regional, cross-border and inter-regional relationships to harness emerging economic opportunities and to facilitate growth in a range of employment sectors, including industries based on the emerging and existing strengths of each region and to support rural economies to grow and diversify.

At the regional level, Clause 17.01-1R Diversified economy – Great South Coast, whilst not have an identified objective, does have a strategy to support rural production and associated economic development opportunities including rural industry, rural sales, accommodation and tourism.

The Local Planning Policy Framework (LPPF) - including the Municipal Strategic Statement

The LPPF sets out the guiding principles of local and regional strategic policy context for a municipality and how broader state planning policies will be achieved or implemented in a local context. The following components of the Southern Grampians Local Planning Policy Framework are relevant to this proposal.

Clause 21 Municipal Strategic Statement

Clause 21.01-1 Municipal Profile. The Municipal Profile provides an overview of the Shire including an overview of the drivers for growth and change with the Shire's primary industry base.

Clause 21.01-2 Southern Grampians Shire in the region and the State show that the Shire's primary industry base shows expected significant growth in agro-forestry, mining and renewable energy.

Relevant key planning issues (clause 21.01-3) affecting the Shire include:

- Protecting the Shire's environmental and cultural assets
- Protecting the Shire's agricultural capacity

- Facilitating new and expanding economic development opportunities

Clause 21.01-5 Vision statement, integrated objectives and municipal framework plan. The Vision Statement for land use planning and development builds on the Shire's Corporate Vision and establishes a desired future. The relevant vision for the Shire is to:

- encourage and support uses and development which more efficiently use and manage land, water and other finite resources
- protect and promote the cultural and environmental heritage of the Shire
- manage the natural resources in a sustainable way to ensure the Shire's environmental assets, improve water quality and supply, and the condition of the catchments and environmental flows of the Shire's rivers and streams.

Relevant strategies and actions by the Shire to support this vision include the following objectives:

- Support for the agricultural economy, the further diversification of production and a progressive shift to sustainable land management
- Strengthening of Hamilton's capacity to compete as a regional centre so as to better capture the local and regional economic opportunities.

Clause 21.03-1 Environment. The natural resource base of the Shire is significant as the foundation to agriculture. As a result of the drier climate and economic drivers, there have been changes to the farming land uses that need to be monitored for their effect on the environment.

Clause 21.04-1 Agriculture and rural land use. The economy of the Shire is primarily built upon the agricultural sector. The agricultural sector includes large-scale cropping, hay production, horticulture, production of fine wools and meat production with significant growth expected to continue in agro forestry, mining and renewable energy.

The objective to this clause is to support agricultural production, its further diversification and progressive shift towards sustainable land management.

Key issues relate to:

- Maintaining the significance of agriculture in local economy
- Providing opportunities for agricultural diversity
- Preventing impacts on the natural resource base from soil decline, dryland salinity, water quality decline, erosion, land management practices, pest plants and animals and loss of native vegetation.

The following strategies are relevant to this proposal:

- Protect areas of high agricultural quality land for farming purposes
- Protect land in agricultural production from adjoining uses and development that are inconsistent with normal farming practices.
- Ensure that necessary non-agricultural development on agricultural land occupies the minimum amount of space

- Facilitate more intensive and productive use of rural land for higher value products, including timber plantations, horticulture, intensive animal industries and agro-forestry
- Support diversification of rural land uses that are consistent with sustainable land and water resource management.

Clause 21.05-2 Heritage. The Shire contains an outstanding array of European and Aboriginal heritage features, including some of the State's most important places of cultural heritage significance. An objective of this clause is to protect and enhance places of Aboriginal, natural and cultural heritage significance with a strategy to recognise, promote and protect the Shire's significant Aboriginal heritage.

Clause 21.07 Economic Development. It is noted that not all future development may be accommodated within areas zoned industrial and it is essential that proposals outside designated industrial zones satisfy criteria designed to address consideration relating to the site and locality with a key issue being addressing the impacts of mining, quarrying, timber harvesting and wind farm development on existing road infrastructure. An objective to this is to provide for limited industrial use and development in the Farming Zone. Relevant strategies are:

- Ensure that industrial use and development in the Farming Zone only occur where
 - o Produce; and/or
 - o The location would be justified on the grounds of accessibility to raw materials or produce.
 - o The industry would generally involve the processing or value adding of agricultural
- Ensure that industry located in the Farming Zone does not negatively impact on the viability and the productivity of agriculture in the area.

Zoning

The subject site is located within the *Farming Zone (FZ)* pursuant to Clause 35.07 of the South Grampians Planning Scheme.

Pursuant to Clause 32.07-1 a permit is required to use land for stone extraction (Section 2 Use).

Pursuant to Clause 35.07-4 a permit is also required to develop land for a Section 2 Use (stone extraction).

Clause 50 Particular Provisions

Clause 52.08 Earth and Energy Resources Industry

Pursuant to Clause 52.08-1 a permit is required to use and develop land for earth and energy resources industry unless the table to this Clause specifically states that a permit is not required.

This table of exemptions provides the following:

No permit is required to use or develop land for earth and energy resources industry if the following condition is met:

Stone extraction: Complies with Section 77T of the *Mineral Resources (Sustainable Development) Act 1990*.

The holder of the work authority WA006643 has not provided an Environment Effects Statement prepared under the *Environment Effects Act 1978* pursuant to section 77T (a) of the *Mineral Resources (Sustainable Development) Act 1990* and as such is not exempt from planning approval.

Clause 52.09 Stone Extraction and Extractive Industry Interest Areas

Pursuant to Clause 52.09-1 Application, these provisions apply to planning permit applications for the use and development of land for stone extraction.

Pursuant to Clause 52.09-3 Application requirements, an application to use and develop land for stone extraction must be accompanied by:

- A copy of a work plan or a variation to an approved work plan that has received statutory endorsement under section 77TD of the *Mineral Resources (Sustainable Development) Act 1990* (provided).
- The written notice of statutory endorsement under section 77TD(1) of the *Mineral Resources (Sustainable Development) Act 1990* (provided).
- Any conditions specified under section 77TD(3) of the *Mineral Resources (Sustainable Development) Act 1990* (provided).

Clause 65 Decision guidelines

Because a permit can be granted does not imply that a permit should or will be granted. The responsible authority must decide whether the proposal will produce acceptable outcomes in terms of the decision guidelines of this clause.

Relevant incorporated or referenced documents

- EPA Guidelines Publication 1518 – Recommended separation distances for industrial residual air emissions (between industrial land uses and sensitive land uses) – March 2013.
- EPA Publication 1411 for Noise from Industry in Regional Victoria – October 2011.
- A Protocol for Environmental Management (PEM) for the Mining and Extractive Industry EPA Publication 1191 is considered an incorporated document of the State Environment Protection Policy (Air Quality Management) 2001 (SEPP AQM).

Summary of Key Issues

The key issues for consideration are:

- Is the use of part of the land for a quarry an appropriate use for the site?
- How does the use and development respond to the relevant provisions of the Southern Grampians Planning Scheme including the Planning Policy Framework and Local Planning Policy Framework, the Farming Zone and the specific provisions relating to extractive industry?
- Does the proposal address matters such as native vegetation, cultural and historical significance, amenity, groundwater, drainage, access etc.
- Can the use and development of the land be carried out in such a manner that will minimise any amenity impacts to the surrounding properties?

- Have objections been received?

Discussion

Proposal

A planning application has been submitted for the *use and development of stone extraction (quarry)*.

The total area of the work authority boundary is approximately 16 hectare with the maximum footprint of the quarry at any one time to be no greater than 3.7 hectare.

The basalt will be extracted over four stages (refer to Work Plan drawing 17238WP, sheets 1, 2, 3 and 4)

- Stage 1 will remove the crest of the hill to create a flat plane. The work area will be 0.7 hectare. The top of the hill has a *RL 160.7 metres*. No terminal faces are created. At the conclusion of stage 1 the extraction will work down to a flat floor level of *RL 150 metres* and will have an extraction footprint of 0.77 hectare. Volume to be extracted in this stage is 34,000m³.
- Stage 2 will extend to the north, west and south with a working face formed with a maximum face height of 10 metres with the nominal length of the working face to be 100 metres. The east flank will extend out to form the raw rock handling platform with no vertical faces at the end of this stage. The extraction will work down to a flat floor level of *RL 140 metres* and will have an extraction footprint of 1.92 hectare. Volume to be extracted in this stage is 130,000m³.
- Stage 3 will extend further to the north, west and south with a vertical face to be formed along the east face with a 10 metre high working face to be formed. This stage will require a new haul road to be formed for descent from the raw rock handling platform down to the quarry floor. Safety berms will be maintained along the top of the east face to create a barrier between activities on the raw rock handling platform and the vertical face. This stage will work down to a flat floor level of *RL 130 metres*. At the conclusion of this extraction the footprint will be 3.28 hectare. Volume to be extracted in this stage is 247,000m³.
- Stage 4 will form depression contours on all flanks. A bench will be retained from the stage 3 floor. The east flank will have a bench with a minimum width of 10 metres with the other locations having a bench width nominally at 5 metres. This stage will develop vertical faces on all sides with safety berms maintained along the top of the faces. Stage 4 will not alter the lateral extent of the extraction footprint and will work down to a flat floor level of *RL 118 metres*. Volume to be extracted in this stage is 300,000m³.

The Map below details the work authority boundary and staged extraction area.

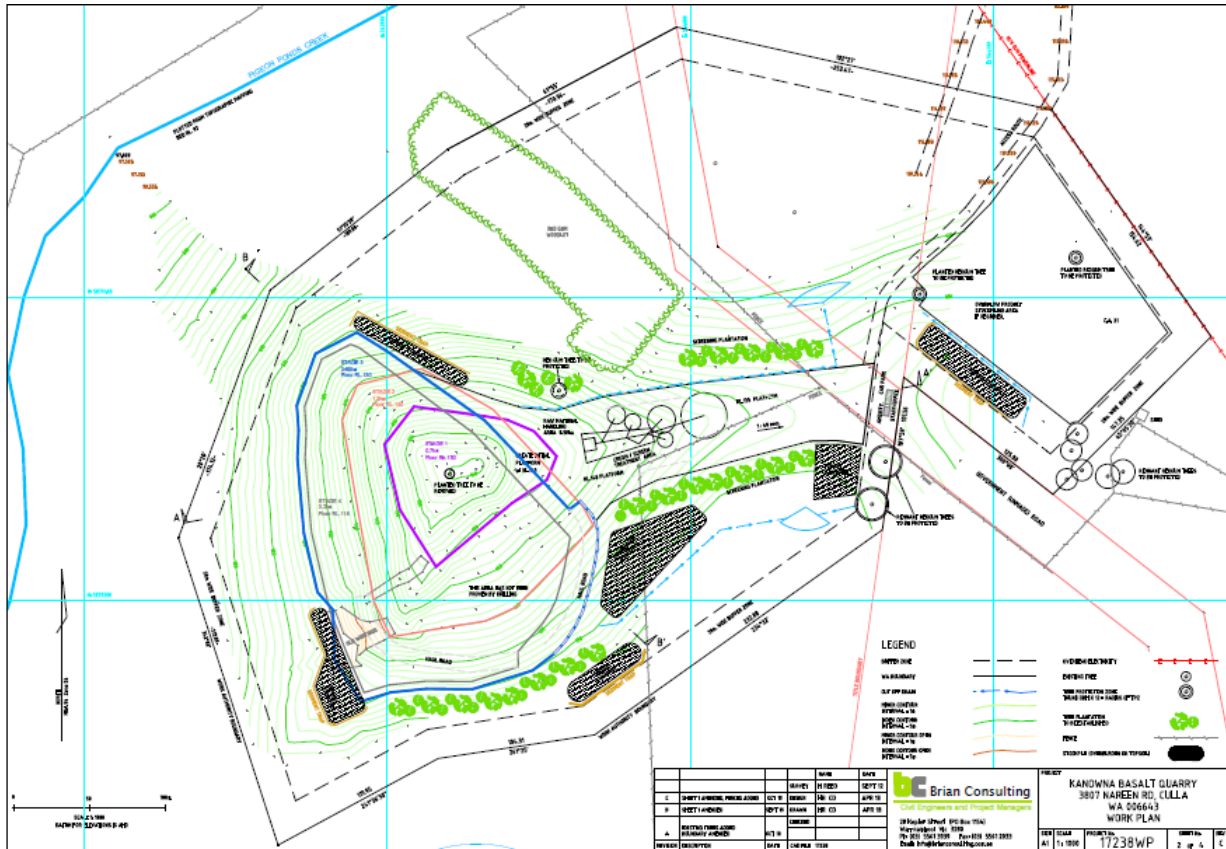


Figure 1 Site Layout

The total volume of extraction, will be approximately 711,000.00m³ over an expected 47 years.

Hours of Operation:

- Above ground Operations: 7:00 am – 6:00 pm Monday to Friday
7:00 am – 1:00 pm Saturday
- Sales: 6:00 am – 6:00 pm Monday to Friday
6:00 am – 2:00 pm Saturday
- Processing: 7:00 am – 6:00 pm Monday to Friday
7:00 am – 1:00 pm Saturday

The exception to this is the crusher which will not commence operation until 8:00am.

No operations will occur on a Sunday or Public Holiday.

The production of basalt products requires blasting to liberate the rock to be extracted from the working face. Shot rock is pulled from the face with an excavator and loaded onto trucks and transported to stockpiles adjacent to the crushing plant.

The processing plant will be located outside of the excavation area (still within the work area) with the rock initially to be crushed in a mobile jaw crusher and sorted using a mobile screen. As the quarry develops and the hardstand area expands, fixed primary and secondary crushers may be installed with the primary crusher to be a jaw or conical crusher and the secondary crusher a gyratory. A pug mill for blending may also be used.

Topsoil stockpile batters and overburden stockpile batters will be situated at the eastern end of the hardstand platform and will be sown with grass seed to blend in with the surrounding farming land with a 20 metre buffer zone provided around the perimeter of the work authority boundary. The staff room, toilets and carpark area will be located within this buffer zone

All blasting will be conducted by a suitably qualified contractor with no explosives to be stored on site.

Explosives handling and blasting will be carried out in accordance with Kanowa Quarry Blast Management Plan and comply with Australian Standard AS2187.2-2006, Explosives – Storage and use Part 2 – Use of explosives for all blasting.

Initially the production rates suggest 1 – 2 blasts per year initially, increasing to a maximum of 2-4 blasts per year during the later stages.

Landscaping

Existing vegetation on the land including roadside vegetation with further screening plantation proposed which will assist in providing a visual screen of the development at a number of locations around the processing areas and outside the extraction area.

A single tree located on the crest of the hill, which was originally planted by the owner, will be required to be removed for the excavation process. The River Red Gum is located within the extraction area and the removal of it will be to the minimum extent necessary for this development. The removal of this tree is exempt from planning assessment pursuant to Clause 52.17 of the Planning Scheme as it is in accordance with the work plan approved under Part 3 of the *Mineral Resources (Sustainable Development) Act 1990*. All other trees will be retained and protected.

Statutorily Endorsed Work Plan WA006643

The applicant has provided a statutorily endorsed Work Plan - WA006643, endorsed by the Department of Jobs, Precincts and Regions (DJPR). The application for endorsement by DJPR, of a work plan, must contain information prescribed by the Mineral Resources (Sustainable Development)(Extractive Industries) Regulations 2010 (Regulations) which address the legislative requirement. DJPR have endorsed this Work Plan satisfied that the following are all compliant:

- Description of proposed works satisfactorily complies with Schedule 1, Part 1, item 1 of the Regulations. This included such things as the location map of the work plan area and surrounding areas including streams.
- Identification of quarrying hazards satisfactorily complies with Schedule 1, Part 1, item 2.1 of the Regulations. Hazards identified that may arise from each phase of the proposed work, including set up/construction, operations/production and rehabilitation/closure are identified as air blast, altered visual amenity, ground disturbance, dust/air emission, erosion and sedimentation, fire, flood, fly rock, ground instability, ground vibration, hazardous waste, noise pollution and security breach.
- Identification and assessment of risk satisfactorily complies with Schedule 1, Part 1, item 3 of the Regulations The hazards identified and associated risk rating are air blast – medium risk rating, altered visual amenity – medium risk rating, ground disturbance – medium risk rating, dust/air emission – medium risk rating, fire – medium risk rating, flood – low risk rating, fly rock – medium risk rating, ground instability – medium risk rating, ground vibration – medium risk rating, hazardous

waste – medium risk rating, noise pollution – medium risk rating and security breach – medium risk rating.

- Risk management plan complies with Schedule 1, Part 1, item 4.1 of the Regulations with a condition included in the endorsed Work Plan to ensure that no sediment-laden water leaves the Work Authority boundary.
- Rehabilitation plan satisfactorily complies with Schedule 1, Part 1, item 5.1 of the Regulations. This plan addresses concepts for the end utilisation of the proposed quarry site and includes proposals for the progressive rehabilitation, stabilisation and revegetation of extraction areas, waste disposal areas, stockpile areas, dams and other land affected by the operations, including proposals for landscaping to minimise the visual impact of the quarry site and includes proposals for the final rehabilitation and closure of the site for the return to cattle and sheep grazing once extraction has been completed.
- Community engagement plan satisfactorily complies with Schedule 1, Part 1, item 6.1 of the Regulations. This plan describes previous stakeholder engagement, goals and objectives of consultation, stakeholder analysis, communication strategies and processes for ongoing consultation.

Traffic Management

The applicant has provided a Traffic Assessment and Traffic Management Plan with the application.

Access to the site is existing and will remain unchanged from Nareen Road in Culla to the east. The predicted traffic volumes for this quarry, as per the Traffic Management Report submitted as part of this application, has the predicated traffic volumes totalling 4000 vehicle movements in total per year with approximately 5 loads per day on average over a 5 day week. Truck configuration will typically consist of a 13 tonne tip truck or a 30 tonne tip truck with a tri-axle trailer.

Traffic counts provided show 55 vehicle movement along Nareen Road per day with 22% related to heavy vehicle movements. This shows that the predominant motor vehicle use (78%) of this road is likely to be from cars and motorbikes with the heavy vehicle movements (22%) likely to be from eg. livestock trucks, buses, log trucks and trucks from other local quarries.

Council's Engineering Department have stated that as the proposed traffic associated with this application is relatively low in numbers (5 per day) it is considered that there will not be obstruction to the existing/public traffic movements and have not objected to the proposal.

The map below shows the location of all quarries with an approved Work Authority located in proximity to the subject site highlighted in orange (red dot is subject site).

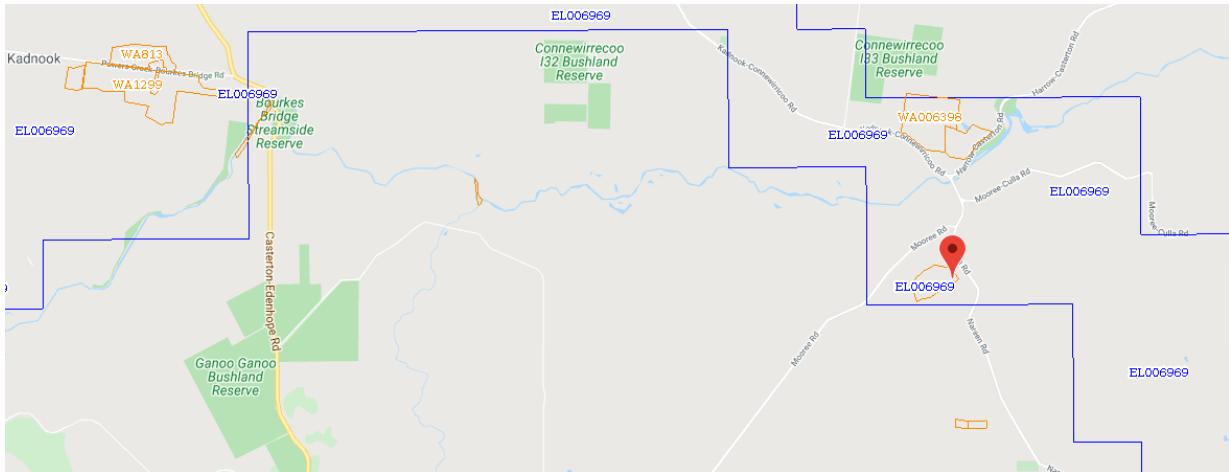


Figure 2 Location of nearby quarries (source: Department of Jobs, Precincts and Regions 2020)

The aerial map below shows quarries in close proximity to the subject site highlighted with a green dot (subject site highlighted in red).

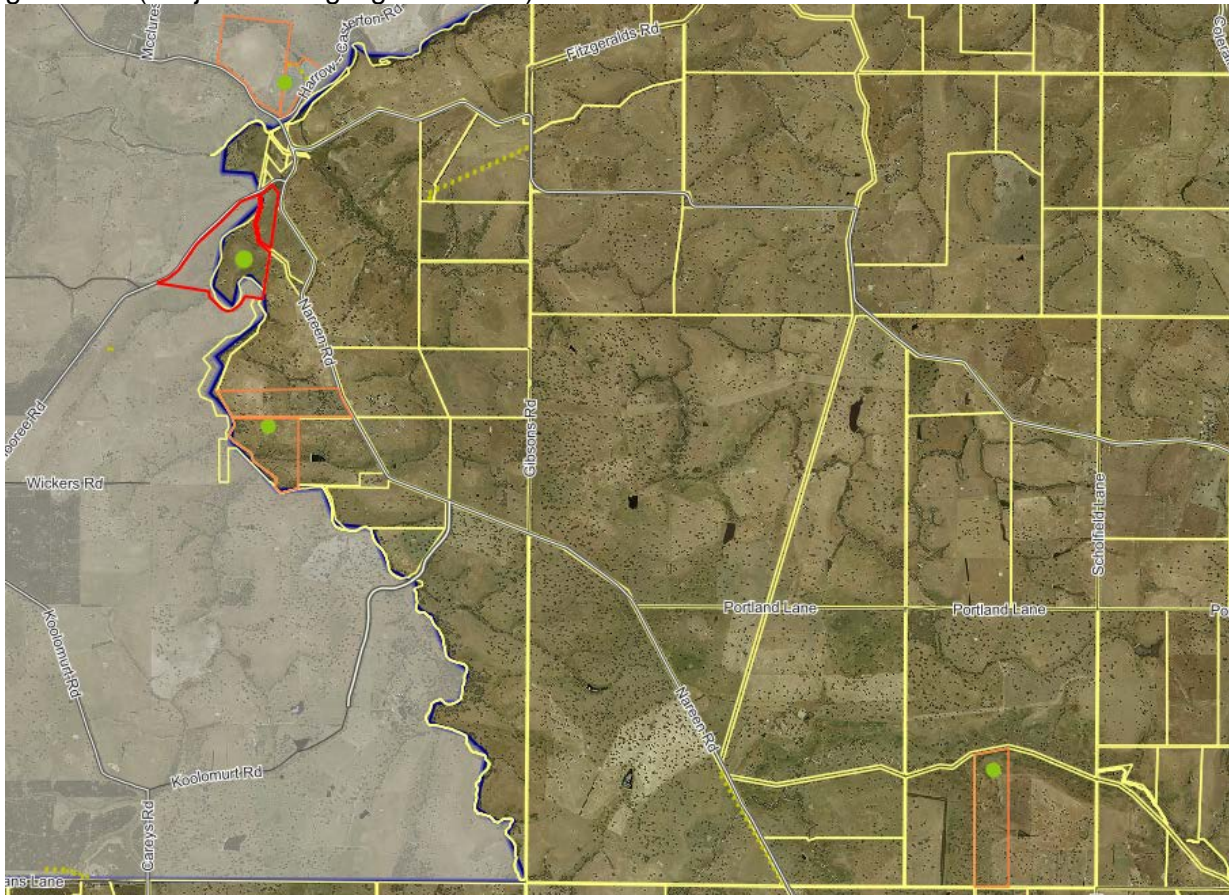


Figure 3 Site Location

Aboriginal Cultural Heritage

The Registered Aboriginal Party for the region encompassing the activity area is the Gunditj Mirring Traditional Owners Aboriginal Corporation.

Cultural Heritage Management Plan (CHMP) No. 12482 was approved 26 March 2012. Part of the proposed activity occurs in an area of cultural heritage sensitivity with the activity of

quarrying classified as a high impact activity pursuant to the *Aboriginal Heritage Regulation* 2007, as it is within 200 metres of a named watercourse, Pigeon Ponds Creek.

The application was referred to Aboriginal Affairs Victoria who noted that the current area of the approved Work Authority plan is different from what has previously been approved within the CHMP. An approved CHMP cannot be amended 5 years or more after first being approved and as such a new CHMP may be required if the applicant is proposing to work outside of the approved area. A condition will be placed in the permit to ensure compliance with the existing CHMP.

Visual impact

The land in the area surrounding the proposed quarry is predominantly used for livestock grazing which has a topography in this area of undulating farming land.

Nareen and Mooree Roads are elevated roads descending downhill and have intermittent lines of sight to the proposed quarry area. Nareen Road is to the east and Mooree Road is to the north, both at an approximate setback distance of 500 metres.

Existing remnant vegetation is located along the creek line with sporadic remnant trees throughout the property including a stand of red gums. Remnant roadside vegetation will also assist in screening the proposed quarry with intermittent lines of sight to the quarry area.

This application proposes further screening plantations to the south and east (refer to sheet 2 of 4 of approved Work Plan 17238WP) which will further reduce any visual impacts of the quarry and assist in any transference of dust or noise being carried to adjoining farms.

There is a cottage located 600 metres north of the extraction footprint. It is owned by the land owner of the work authority.

All other houses are in excess of 1000 metres (1 kilometre) away. There is one house approximately 1.6 kilometres to the south in an elevated position. This house will have uninterrupted views towards the quarry.

The map below details proximity of dwellings to the work authority boundary and quarry area. The red outline is the work authority boundary and the tan marker is the quarry footprint over the 47 years life of operations.

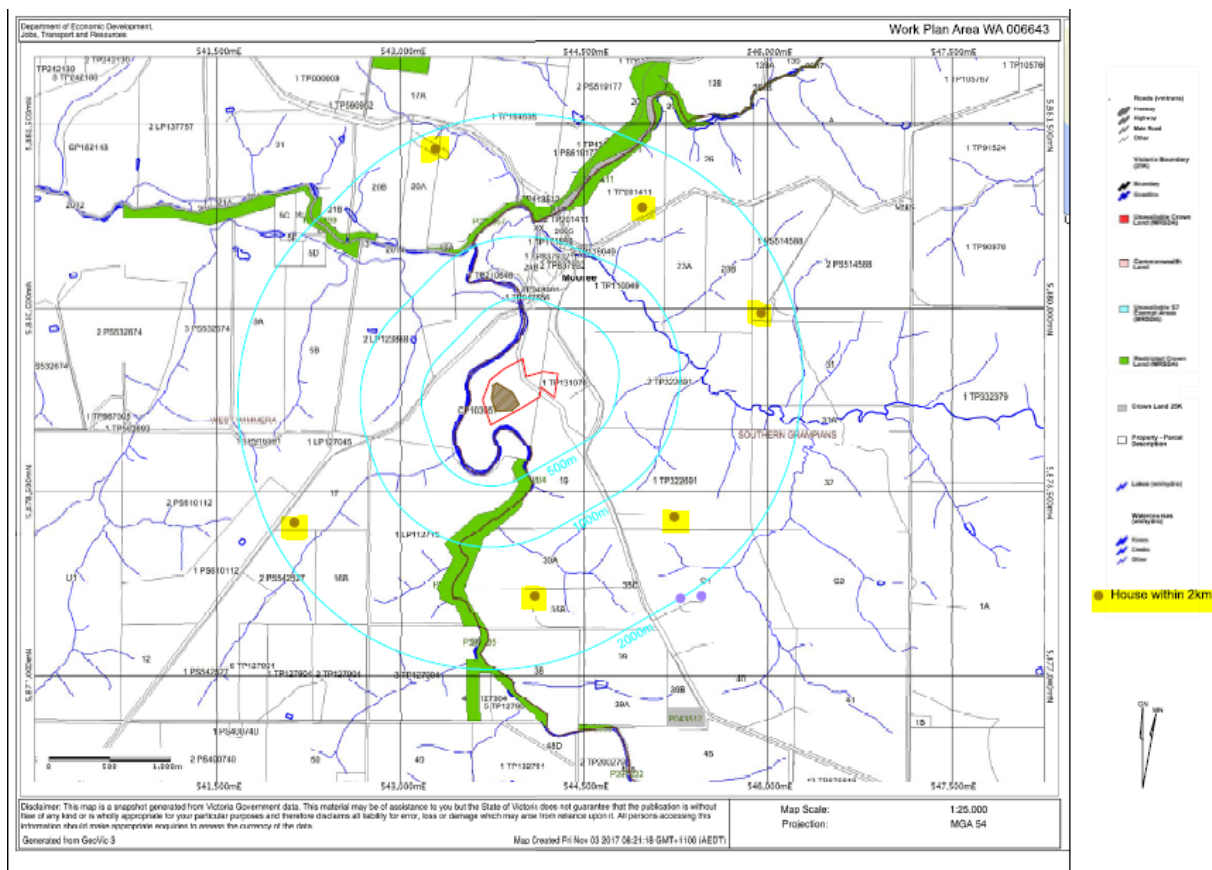


Figure 4 Location of nearby houses relative to proposed quarry operations

Noise impact

The production of basalt products requires blasting to liberate the rock for crushing. Ground vibration and air blast overpressure from quarry blasting is regulated under the Victorian State legislation by the Department of Jobs, Precincts and Regions with the departments Earth Resources Regulations providing guideline limits for ground vibration and air blast overpressure from blasting.

A Blast Impact Assessment has identified three sensitive sites near the proposed quarry. House 1 is located on Nareen Road approximately 1,590 metres to the southeast of the extraction area, House 2 is located on Chetwynd Road approximately 1,920 metres to the southwest of the extraction area and House 3 is located on the Mooree-Culla Road approximately 1,820 metres to the north east near the GEM Quarry.

This assessment noted that as blasting is infrequent with one to four blasts per year, it is considered that disturbance at the closest sensitive site will be minimal due to the significant separation distances between the quarry and dwellings.

Environment Protection Authority (EPA) Publication 1518 recommends a separation distance of 500 metres for quarrying, crushing, screening, stockpiling and conveying of rock, with blasting.

The application has stated that any neighbour within 150 metres of the blast location will be notified of blasting times so that land can be vacated of stock.

The quarry operators are required to ensure ongoing compliance with the EPA guideline *Noise from Industry in Regional Victoria* (NIRV)(Publications 1411).

Council officers have considered the required separation distances and noted that this application is in excess of the EPA requirements with regards to setbacks for noise and blasting relating to the quarry including consideration of any prevailing weather conditions thus protecting the health and wellbeing and amenity of the nearest dwelling which is located approximately 1.6 kilometres to the south east of the extraction area.

Farming Zone

The Farming Zone encourages land to be utilised for agricultural production. Farming activity include a wide range of activities that generate noise and traffic through irrigation pumps, the operation of tractors and other heavy vehicles (cattle trucks) and machinery, typically without a permit. Conditions can regulate any off-site environmental impacts relating to the proposed use as a quarry.

This application addresses the Planning Policy Framework by facilitating access to key construction material resources in the region, including on-site quarrying addressing economic productivity through the supply of basalt which is in low supply at various times of the year. Council Engineers have stated that it is beneficial to have quarries localised which reduces transport costs.

The proposed use and development is consistent with, and compatible to surrounding agricultural uses with the extraction area well separated from the property boundaries in different ownerships. The setbacks proposed together with the topography and existing vegetation ensure likely minimal off-site impact.

Public Notification

The original application was advertised pursuant to Section 52 of the *Planning and Environment Act 1987*, by:

- Sending notices to the owners and occupiers of adjoining land.
- Sending notices to previous submitters of small quarry application TP/83/2017
- Placing sign(s) on site.
- Notice on Council website

As a result of the public notification process, eleven (11) objections were received. The table below summarises all submissions and Council response:

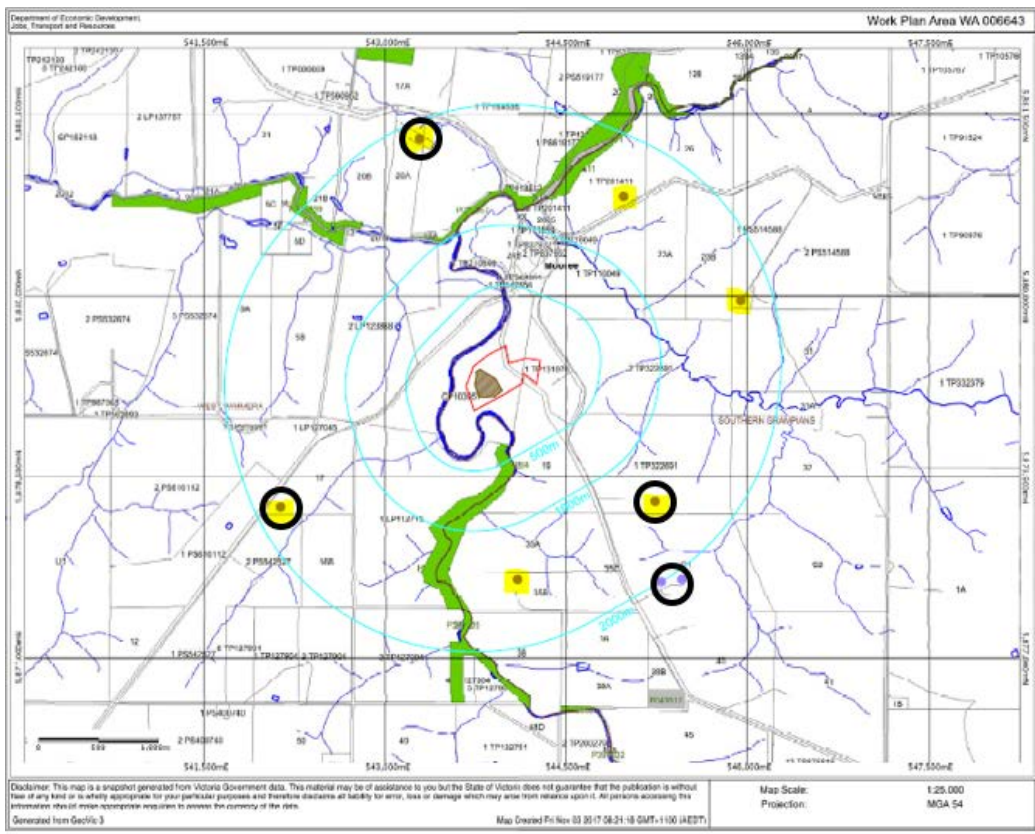
Summary of letter of objections	Council Response
<p>Road traffic concerns</p> <ul style="list-style-type: none"> - Standard of the roads being narrow and winding - Degradation of the roads and road infrastructure - Dodging of trucks on quiet country road - Road not constructed to carry this extra traffic - Road becomes dangerous when moving agricultural machinery 	<ul style="list-style-type: none"> - Nareen Road will provide access and egress from the site which will generate approximately 5 truckloads exiting the site per day over the 5 day week. - The Nareen Road is a rural collector road that provides for collecting and distributing traffic and acting as a feeder service to local arterial roads. This road is B double pre-approved and is able to carry log trucks, farm trucks, quarry trucks, buses etc. - The existing access has been upgraded and is in accordance with SD265 – Typical B Double Vehicle crossing as

<p>between properties</p> <ul style="list-style-type: none"> - Truck activity has increased 	<p>detailed in the Infrastructure Design Manual.</p> <ul style="list-style-type: none"> - Clear views from the site for traffic entering and exiting is provided in both directions. - The subject site is located within an agricultural area which in itself uses large trucks and equipment for agricultural purposes. - The subject site is also located within an area where log trucks and other quarry trucks utilise Nareen Road. - Data from the Department of Transport (VicRoads) shows one (1) accident along Nareen Road in Culla in the last 5 years that involved alcohol, a young male driver, and in which a car overturned. This accident was located near McDougalls Lane approximately 20 kilometres to the south of the subject site. The Traffic Assessment and Traffic Management Plan also provides details of another accident within the last 5 years which was a single vehicle crash of a motorcycle travelling along Mooree-Culla Road.
<p>Safety</p>	<ul style="list-style-type: none"> - There are clear views from the access way in both directions off Nareen Road. - All vehicles and pedestrians should abide by Victorian road rules.
<p>Amenity impacts</p> <ul style="list-style-type: none"> - Camping - Disturbs peace and quiet enjoyment - Noise - Dust - Blasting - Vibration 	<ul style="list-style-type: none"> - The EPA have not objected to the proposal as it is providing more than the required 500 metres setback from a sensitive use (dwelling) from the quarrying activity that includes blasting. - The topography and existing vegetation on the site along with further screening on the site also assists in reducing impacts. - The farming zone encourages land to be used for agricultural production (no consideration given to camping) which includes a wide range of activities that generate noise and traffic through irrigation pumps, the operation of tractors and other heavy vehicles (cattle trucks) and machinery. - EPA notes that distances recommended in the separation distances guidelines (EPA Publication 1518) are not designed around noise. Council have considered the potential for noise or dust impacts on the nearby sensitive land uses in accordance with the Noise from Industry in Regional Victoria

	<p>(NIRV: EPA Publication 1411, 2011) and consider that it is unlikely that these will carry to the nearest sensitive use to the south approximately 1.6 kilometres with the inclusion of existing vegetation and proposed screen planting. It is proposed that works will be suspended in dry windy conditions. If dust suppression is required water sprays will be utilised.</p>
<p>Environmental Impact</p> <ul style="list-style-type: none"> - including Pigeon Ponds Creek and Glenelg River 	<ul style="list-style-type: none"> - The proposed work area is setback from Pigeon Ponds Creek 100 metres. Glenelg River is located to the north and is not within close proximity to this proposed quarry. - Conditions within the endorsed Work Authority requires that the holder of WA006643 'must implement control measures to ensure all sediment runoff from quarrying operations and rehabilitation activities, including from stockpiles, is retained on site. The Stormwater Management plan shows the flow of water and treatment. EPA concluded that the risk to the environment is low and that risks have been mitigated. - A single tree is proposed to be removed from within the excavation area. This tree was planted by the owner and is exempt from assessment pursuant to the requirements of Clause 52.17 Native vegetation.
<p>Hours of operation</p>	<ul style="list-style-type: none"> - The proposed hours for extraction and processing are considered reasonable with no extraction or transportation to occur on a Sunday or a public holiday
<p>Farming use</p>	<ul style="list-style-type: none"> - The Farming Zone encourages land to be used for agricultural production which includes a wide range of activities that generate noise and traffic through irrigation pumps, the operation of tractors and other heavy vehicles (cattle trucks) and machinery. - State policy encourages exploration and extraction of natural resources such as quarrying to facilitate key construction material resources in the region. - The proposed use for quarrying will only be temporary and will remove agricultural use within the footprint (@ 16 hectare. After completion the site will be rehabilitated and returned back to the use for agricultural purposes.

	<ul style="list-style-type: none"> - The extraction area has been located and designed to maximise the amount of gravel to be extracted while minimising impact on productive agricultural land.
Mental Health	<ul style="list-style-type: none"> - As previously stated the setback from the working quarry will be in excess of the 500 metres to a sensitive use with the nearest dwelling located approximately 1.6 kilometres to the south and southeast of the this quarry.
Disregard to current small quarry permit conditions	<ul style="list-style-type: none"> - Council have continued to monitor the subject site with its operation of the small quarry and have found it to be in compliance with the conditions approved pursuant to TP/83/2017.

Map below shows location of objectors dwellings, circled in black, within proximity to the proposed quarry. It should be noted that the two (2) northern dwellings highlighted in yellow are closer to the Mooree Quarry located on Harrow Casterton Road in Northern Grampians Shire. The objector to the south west also has a similar setback from another quarry (separate operators) located to the south of the proposal. With the objector dwelling shown located 2 kilometres closer to the quarry located immediately to the west (these quarries are shown in the map above in report which show the location of quarries within this area).



Referral of application

DJPR referred the work plan to the below referral authorities who have provided consented to the statutory endorsement of the work plan and any conditions requested are incorporated within the conditions attached to the work plan.

Clause 52.09 (stone extraction) of the Planning Scheme contains a referral exemption. Referral requirements do not apply to an application to use and develop land for stone extraction if a copy of the work plan was previously referred to the authority listed in Clause 66 of the VPP under section 77TE of the *Mineral Resources (Sustainable Development) Act 1990*.

In accordance with the requirements of Clause 66 of the Planning Scheme, the responsible authority has been advised by DJPR that it has considered the proposal within the last three months prior to the date of its letter dated 12 July 2019 and does not object to the proposal. Any conditions that have been imposed within the statutorily endorsed Work Plan WA006643 are not to be duplicated or the requirements copied to any planning permit.

The following referral authorities have provided consent to the statutory endorsement of the work plan.

Referrals/Notice	Comments
Section 55 Referrals	
Glenelg Hopkins Catchment Management Authority (GHCMA)	Referred under the Work Plan through DJPR. No objection. Measures provided maintain sufficient buffers of a minimum 100 metres to waterway banks (Pigeon Ponds Creek).
Department of Environment, Land, Water & Planning (DELWP)	Referred under the Work Plan through DJPR. No objection to the proposal
Department of Jobs, Precincts and Regions	Statutorily endorsed Work Plan through DJPR. No objection
Section 52 notices	
Environment Protection Authority (EPA)	Referred under the Work Plan through DJPR. No objection.
Southern Rural Water	Referred under the Work Plan through DJPR. No objection
Internal Council Referrals	Advice/Response/Conditions
SGSC Engineering Department	No objection to the proposal subject to conditions
SGSC Biodiversity Officer	No objection to the proposal

Conclusion

Economic development and industry policy gives weight to supporting industry which contributes to a strong economy and gives recognition to the value provided by basalt extractions, as an alternative employment activity to the agricultural sector.

Policy direction is weighted towards encouraging the use of the land for resource extraction. Planning policy strongly supports the economic benefit and value provided by these types of industry provided the amenity and environment are protected in the locality which has been further strengthened at the state level with the introduction of VC148 which introduced Clause 14.03-1S which encourages extraction of natural resources.

The recommendations of reports submitted within the statutorily endorsed Work Plan WA006643 address traffic, environment, amenity impacts and appropriate setbacks, infrastructure, blasting, water management, ecology, rehabilitation and aboriginal cultural heritage.

Impact to road infrastructure is referenced in the traffic report undertaken by Sitec Consulting Engineers dated March 2019.

A recent upgrade to Nareen Road in Culla was undertaken using locally resourced rock from a similar quarry located in proximity to this proposal. The existing access to the subject site was also upgraded and is in accordance with SD265 – Typical B Double Vehicle crossing as detailed in the Infrastructure Design Manual.

Nareen Road will provide access and egress from the site which will generate approximately 5 truckloads exiting the site per day over the 5 day week with clear views from the site for traffic entering and exiting is provided in both directions.

Nareen Road is classified as a rural collector road that provides for collecting and distributing traffic and acting as a feeder service to local arterial roads. This road is B double pre-approved, located within an agricultural area, which in itself uses large trucks and equipment for agricultural purposes such as log trucks, farm trucks, quarry trucks, buses etc.

Data from the Department of Transport (VicRoads) shows that no accidents having been recorded along Nareen Road within the area of the subject site.

The quarry will reduce the agricultural capacity by removing 16 hectares from grazing capacity for the short term whilst the quarry is operating however once this is finalised the land will be rehabilitated and returned back to agricultural use at the end of the quarry's life which will not result in the continued use of this part of the land for agricultural purposes.

Environmental standards have been assessed as part of the approved Work Plan that contains an Ecology Report and a Stormwater. Conditions within the endorsed Work Authority requires that the holder of WA006643 'must implement control measures to ensure all sediment runoff from quarrying operations and rehabilitation activities, including from stockpiles, is retained on site. The stormwater management as shown in drawing 17238SW, shows the flow of water and treatment with the EPA concluding that the risk to the environment is low and that risks have been mitigated.

Visual impacts have been considered with further screening plantations proposed to minimise views of the quarry. This will assist in reducing the view from Nareen and Moore Road because of gaps in existing vegetation along the road reserve and within the property and adjoining properties. A Landscape Plan will be required as part of a planning permit condition, which will detail the proposed plants to be planted within the plantations with a 20 metre wide buffer zone provided around the extraction area, within the title boundaries.

The applicant has identified sensitive receptors (occupied dwellings) within approximately 1.6 kilometres and 1.8 kilometres from the site. EPA publication *1518 Recommended separation distances for industrial residual air emissions*, recommend a separation distance of 500 metres for both blasting quarries and site sites with respirable crystalline silica (dust generated by high-energy processes). EPA concluded that the risks of impacting sensitive uses by diffuse air emissions is low and based on the separation distance and the blasting procedures, the risk of noise pollution is also low.

For the reasons provided within this report, Council Officers are recommending support of the proposal which adequately addresses the planning policy framework and it is recommended that a Notice of Decision to Grant a Permit be issued subject to conditions.

Financial and Resource Implications

There are no costs associated with the recommendations of this report.

Legislation, Council Plan and Policy Impacts

The *Planning and Environment Act 1987* provides that certain local government, responsibility and functions can be delegated to Committees of Council or Council officers.

This recommendation is consistent with those provisions.

Risk Management

It is recommended that a Notice of Decision to Grant a Permit be issued subject to conditions.

If a Notice of Decision to Grant a Permit is issued an objector may apply to the Victorian Civil and Administrative Tribunal for review of the decision of the responsible authority. If no application for review is received at VCAT then a planning permit is granted.

Environmental and Sustainability Considerations

Environmental standards have been assessed as part of the approved Work Plan that contains an Ecology Report and Stormwater Management (drawing 17238SW). The stormwater management adequately mitigates the risk to aquatic fauna in the Pigeon Ponds Creek and includes measures to avoid impacts on the health of the aquatic and riparian habitats in the surrounding landscape.

Community Consultation and Communication

Community Engagement was undertaken as part of the requirements of Work Plan WA006643.

Council also undertook public notification (as stated above) and received eleven (11) objections to the proposal which have been detailed earlier in this report.

Disclosure of Interests

All Council officers involved in the development and advice provided in this report affirm that no direct or indirect interests need to be declared in relation to any matters in this report.

RECOMMENDATION**Planning Permit**

That Council having not caused notice of Planning Application No. TP/84/2019 to be given under Section 52 of the *Planning and Environment Act 1987*, and having considered all the matters required under Section 60 of the *Planning and Environment Act 1987*, decides to issue a Notice of Decision to Grant a Permit under the provisions of the Southern Grampians Planning Scheme in respect of the land known and described as 3807 Nareen Road CULLA (Plan of Consolidation 103951 & Lots 1 & 2 on Title Plan 131070J), for the use and development of land for stone extraction (gravel) in accordance with the endorsed plans, subject to the following conditions:

Conditions:**Use and development**

1. The use and development authorized by this permit shall be in accordance with the approved Work Plan attached to WA006643 and must comply with all the requirements and conditions attached to the Work Authority. Any breach of any provision or requirement of that Work Authority or failure to comply with conditions imposed by that Work Authority shall be deemed to be a breach of this permit unless with written consent of the responsible authority and the Department of Jobs, Precincts and Regions
2. The permit conditions listed hereunder are additional to requirements and conditions contained in the Work Plan attached to WA006643.

Boundary setback

3. Except with a permit, no alteration may be made to the natural condition or topography of the land within 20 metres of the boundary of the land. This does not apply to driveways, drains, bund walls or landscaping.

Landscape Plan

4. Before the commencement of any works allowed by this permit, a Landscape Plan must be submitted to and approved by the responsible authority. The plan must show:
 - a. Details of screen planting within the buffer area which includes a planting schedule of all proposed trees, shrubs and ground covers, including botanical names, common names, pot sizes, sizes at maturity and quantities of each plant.

All species must be selected to the satisfaction of the responsible authority and should include some Buloke and Stringybark trees throughout the plantations.

When approved, the plan will be endorsed and will then form part of the permit. The plan must be drawn to scale.

Shrubs and trees must be planted and maintained to screen activity on the site to the satisfaction of the responsible authority.

Amenity

5. The use and development must, to the satisfaction of the responsible authority be managed so that the amenity of the area is not detrimentally affected, through the:
 - a. Transport of materials, goods or commodities to or from the land;
 - b. Appearance of any building, works or materials;

- c. Emission of noise, artificial light, vibration, smell, fumes, smoke, vapour, steam, soot, ash, dust, waste water, waste products, grit or oil; and
 - d. Presence of vermin.
6. All waste generated by the use must be appropriately managed including the disposal of all non-quarrying material to the satisfaction of the responsible authority.
 7. The storm water drainage from the subject land to be collected and managed within the lot boundary without causing any nuisance to the adjoining properties.
 8. No permanent refuelling facility shall be provided on site.

Construction and Site Management

9. Before the commencement and during any construction works for each stage of the development (including any preliminary site preparation and establishment works, demolition or material removal) the construction management works must be to the satisfaction of the responsible authority and must include:
 - a. Maintenance of safe movements of vehicles to and from the site during the construction phase.
 - b. Wash down areas of trucks and vehicles associated with construction activities.
 - c. Details of public safety and amenity considerations.

The permit holder must use appropriate site management practices to prevent the transfer of mud, dust, sand or slurry from the site into drains or onto nearby roads and properties. In the event that a road, drain or adjoining property is affected, the owner must upon direction of the responsible authority take the necessary steps to clean the affected portion of road or drain to the satisfaction of the responsible authority.

Hours of operation

10. Except with the further written approval of the Responsible Authority, the use may operate only between the hours of:

Hours of Operation:

Above ground Operations:	7:00 am – 6:00 pm Monday to Friday 7:00 am – 1:00 pm Saturday
Sales:	6:00 am – 6:00 pm Monday to Friday 6:00 am – 2:00 pm Saturday
Processing:	7:00 am – 6:00 pm Monday to Friday 7:00 am – 1:00 pm Saturday

The operation of the quarry will not be conducted on a Sunday or a public holiday.

Access

11. Vehicles exiting the site must have clay and soil removed from their wheels before entering public roads to the satisfaction of the Responsible Authority.

Aboriginal Victoria (AV)

12. The use and development of the subject land must at all times be in accordance with the Cultural Heritage Management Plan No. 12482 approved 26 March 2012.

Parking areas

13. Parking areas must be provided for employees' cars and all vehicles used on the site, to the satisfaction of the Responsible Authority.

No landfill

14. Upon completion of the use and development, no part of the site may be used for landfill without seeking further planning approval from the Responsible Authority.

Referral Authority Condition:**Department of Environment, Land, Water & Planning (DELWP)**

15. The works within the proposed quarry needs to be undertaken in a manner so that water is contained within the Works Authority area and that no sediment or waste runs off site into Pigeon Ponds Creek.
16. Before works start, the permit holder must advise all persons undertaking works on site of all relevant permit conditions and associated statutory requirements or approvals.
17. To prevent damage to retained vegetation there must be no storage of materials, vehicles or equipment within areas of native vegetation identified to be retained in accordance with the endorsed plans. All storage sites must not adversely impact upon native vegetation, including the root zones of existing trees.
18. Areas of native vegetation adjacent to any construction areas and access tracks will be fenced where practicable and identified as 'no go' zones to avoid any disturbance or damage.
19. Standard best practice should be implemented to minimise the spread of weeds and soil pathogens through movement of soil on and offsite. All vehicles, plant, machinery and hand tools will be made free of soil, seeds and other plant materials before being taken to and from the works site.
20. All species to be planted as a visual screen must be indigenous, and of local provenance in accordance with the relevant Ecological Vegetation Class benchmark(s) for the area.
21. No polluted and/or sediment laden run-off must be discharged directly or indirectly into the Pigeon Ponds Creek or other neighbouring drains or watercourses. This must be achieved by implementing the Stormwater Management Plan drawn by Brian Consulting (April 2018) submitted with the application, to the satisfaction of DEDJTR for the life of this project.

Expiry of permit

22. The permit will expire if the following circumstances applies:

- a) The use and development is not started within two (2) years of the date of this permit.

The responsible authority may extend the period referred to if a request is made in writing before the permit expires or within (6) months afterwards.

23. This permit will expire if the Work Authority for the use issued under the provision of *Mineral Resources (Sustainable Development) Act 1990* is cancelled in accordance with Section 770 of that Act.

10.6 Moloney Asset Management Systems

Directorate: David Moloney, Director Shire Infrastructure
Author: Rohit Srivastava, Manager Assets
Attachments: 7. Moloney Asset Management Systems Report

Executive Summary

Moloney Asset Management Systems (MAMS) was engaged to carry out the sealed pavements (construction), sealed surfaces (reseal), unsealed (gravel), footpath and kerb (including channels) condition surveys and financial modelling for all roads for Southern Grampians Shire Council in September 2019.

As part of Council's Asset Management System a road condition report is completed every three years. MAMS also conducted the road condition surveys in 2003, 2006, 2009, 2012, 2015 and flood event 2017. These inspections included the asset condition findings for the sealed pavements, sealed surfaces, unsealed pavements, footpaths and kerb (including channels).

This report provides a summary of the major findings following the road asset condition survey undertaken in 2019. This summary aims to provide an overview of the important findings coming out of the survey as well as a snapshot of the overall asset condition and financial modelling results detailed under: Overall Report Findings, Summary of Asset Condition Findings and Summary of Financial Modelling Results.

It is recommended that the Council adopt the Moloney Asset Management Systems report.

Discussion

Under accounting regulations, council is required to inspect and revalue its assets at regular intervals. This condition data forms an integral part of the calculation of the asset values and their estimated total lives and remaining useful lives. It enables full and accurate asset valuations to be undertaken and via the MAMS financial modelling software the data can be used to predict the future asset condition and therefore inform the long term financial plan as to the asset renewal demand. It is used to inform the selection and delivery of the capital works program.

The major findings from this report are:

1. The road assets within Southern Grampians Shire were found to be in good overall condition when benchmarked against all 69 councils assessed by Moloney Asset Management Systems (MAMS).
2. Overall condition ranking lifts to "Very Good" after applying the standardised intervention levels.
3. There was a very modest condition improvement found with the overall condition of the sealed road pavement assets and a strong improvement with both the extent of poor condition assets and isolated pavement failures since the last survey in 2017.
4. The sealed surface assets were found to be in poor overall condition, but there had been a strong condition improvement since 2017 as a result of relatively high levels of renewal expenditure.
5. The unsealed road pavements were found to be in excellent overall condition and had generally improved in condition since 2017.

6. The kerb and footpath assets were both found to be in only fair overall condition but they both had strong reductions in the extent of poor condition assets since the last survey in 2015.
7. The long term trend in condition movement over our seven surveys since 2004 indicate that sealed road pavements, sealed surfaces and kerbs have all tended to decline in overall condition while unsealed road pavements have improved massively and footpaths have tended to remain static.
8. The total present renewal shortfall or backlog of over intervention assets for the whole roads group is estimated at \$14,165,952 representing 3.31% of the total road asset valuation. This equates to 174% of one full year's annual liability for the renewal of the assets and as such is considered to be within the "Good" Condition range.
9. Council is currently funding road network renewals at \$5,633,200 pa, while the consumption rate (Average annual liability) is estimated at \$8,140,383 pa. Hence, the assets are currently being consumed at around \$2,507,183 pa.
10. The current total renewal funding level of \$5,633,200 pa is considered to be at an appropriate present total level. Modelling suggests that this total level of renewal funding subject to CPI increases will be at an appropriate level for the next 10-years.
11. The recommended funding level should be considered as an average figure over the next 10 years. It may vary year to year depending on project size and council priorities.
12. Council has done an exceptionally good job in managing its' road assets particularly since our last survey.

Additional Important Findings were noted as;

1. Unique degradation curves have been produced based on actual condition change between seven surveys undertaken between 2004 and 2019. This has greatly enhanced the financial modelling results.
2. Key performance indicators have been developed at a sub asset level that accurately benchmark asset condition change since the last survey.
3. The same key performance indicators have been used to benchmark Southern Grampians Shire against all 69 councils assessed by MAMS.

Financial and Resource Implications

Primary outcome of the report is that Council's present total renewal expenditure of \$5,633,200 pa was found to be at an appropriate total level for the next 10 years subject to CPI increases. Note that the recommended future funding strategy has also optimised the funding split between the road sub asset sets to achieve the best overall condition outcome for the whole roads group.

	A	B	C	D	E	F	G	H	I
Sub Asset Description	Present Annual Expenditure on Upgrades and New Assets	Average Planned renewal expenditure next 5 Years	Average Annual Liability (Based upon modelling lives and valuations)	Annual Depreciation based on Accounting valuations and lives	Average Capital Renewal Demand for next 5-years to eliminate all over intervention assets	Year of Condition Inspection	Recommended Commencing Year 1 funding level with a 0.0% annual compounding increase for 10	Planned renewal expenditure (Column B) as a % of the Annual Liability	Recommended Funding level (Column G) as a % of the Annual Liability Rate
Sealed Pavements	\$5,320,000	\$2,400,000	\$4,325,766	\$2,519,513	\$3,470,000	2019	\$2,750,000	55%	64%
Sealed Surfaces	\$80,000	\$2,990,000	\$2,446,173	\$1,621,454	\$3,475,000	2019	\$2,485,000	122%	102%
Unsealed Pavements	\$0	\$140,000	\$857,437	\$684,009	\$240,000	2019	\$122,000	16%	14%
Kerbs	\$0	\$78,200	\$308,045	\$403,464	\$446,000	2019	\$225,000	25%	73%
Footpaths	\$100,000	\$25,000	\$202,963	\$302,121	\$60,000	2019	\$51,000	12%	25%
Totals	\$5,500,000	\$5,633,200	\$8,140,383	\$5,530,561	\$7,631,000		\$5,633,000	69%	69%
C - B Estimated Annual Consumption Rate		\$2,507,183							

The above table provides an alternative way of comparing the renewal demand with the present renewal expenditure levels. The key figures within the table are located in columns H and I, they represent the percentage planned and recommended renewal demand.

Southern Grampians Shire is currently funding its renewal program at \$5,500,000.00 pa which represents 69% of the average consumption rate (annual depreciation). The green shaded cells contain the recommended commencing funding level for next financial (in 2019 prices).

In future budgets Council will need to determine if there is to be an increase in funding and if so where that funding is to be directed to most benefit the life cycle cost of the roads assets.

Legislation, Council Plan and Policy Impacts

The Southern Grampians Shire Council Plan 2017-2021 contains the following strategy:

Objective 3.1

Plan and provide for sustainable assets and infrastructure

Objective 3.2

Plan, advocate and provide for safe and well maintained transport routes and infrastructure

Objective 3.3

Develop and maintain attractive and vibrant Council owned and managed open spaces and streetscapes

Road Management Act 2004

d.3 s. 40 Compliance with our Statutory Duty to Inspect, Maintain and Repair Public Roads

Risk Management

Current funding was found to acceptably meet the renewal requirements of Council's road infrastructure.

An average annual expenditure of \$5,633,000 pa would deliver the required condition outcome of 132% of one years' annual liability or 2.47% of the total network replacement value at the end of 10years. This is an average and some years will require further funding to meet demand, balanced by years requiring less. It is expected that Council's Works Team, with Direction from the Assets Team and Director Infrastructure would schedule works, wherever possible, to allow consistency for both budget and workforce stability.

Environmental and Sustainability Considerations

N/A

Community Consultation and Communication

Upon adoption of this report, the Finance, Works and Asset Management teams will be advised so future capital works and renewal of assets can be implemented.

Disclosure of Interests

All Council Officers involved in the development and advice provided in this Report affirm that no direct or indirect interests need to be declared in relation to any matters in this Report.

RECOMMENDATION

That the Council adopt the Moloney Asset Management Report.

10.7 56-18 Hamilton Gateway Business Park Subdivision – Variation to Contract

Directorate: David Moloney, Director Shire Infrastructure
Author: Rohit Srivastava, Manager Assets
Attachments: None

Executive Summary

Council awarded contract 56-18 Hamilton Gateway Business Park to Lake and Land Ltd on 10 January 2019 as a design and construct contract.

Variations to the contract have been submitted by and negotiated with the contractor to enable Council to have additional works be done in accordance with planned works. The approved variations (1-3) were within the delegation of the CEO with cumulative variation amount being \$67,210.

Variation – 4, \$188,725 for this contract will exceed the CEO's authorisation in the procurement guideline and therefore Council is required for approval and set a new contract value.

It is recommended that Council approve Variation 4 and make the new contract value to \$3,674,116.82 (Excl GST).

Background

Council awarded the contract to design and construct Hamilton Gateway Business Park to Lake and Land Ltd on 10 January 2019 for a Contract Value of \$3,418,181.82.

Over the course of delivering the project there have been 3 variations approved within the procurements guidelines under the CEO's delegation,

Variation 1: Processed and approved, had no financial implication to the Contract.

Variation 2: \$20,610, was approved to enable the redesign of the VicRoads traffic intersection.

Variation 3: \$46,600, was approved to enable construction of additional sewer extensions as requested by Wannon Water.

An additional variation has been received as follows:

Variation 4: \$188,725, is required to cover additional underground storm water piping to meet the drainage requirements.

Considering all the Variations (1-4), the overall Contract variation would be \$255,935 (Excl GST) and make the overall Contract value to \$3,674,116.82 (Excl GST).

Discussion

Hamilton Gateway Business Park Subdivision, is a design and construct contract awarded to Lake and Land. During tender stage the concept for the storm water management plan proposed to use a combination of above ground open swale drains and below ground pipes

to direct stormwater to a water detention basin. The stormwater would then be discharged via an existing culvert, 1125mmø, installed across the Grain Corp entry road.

The stormwater management plan further details the internal drainage network to be designed for 5% Annual Exceedance Probability (AEP) and the Water detention basin 1% AEP. The calculations done at that time show that a 1% AEP rainfall event would have a flow which is approximately double the capacity of the existing culvert mentioned above (2.061m³ Vs 1.038m³), this would result in flooding in the development. For the existing culvert to take the full flow, it would need to be upgraded to a 1500mmø or installing a duplicate culvert. That would mean carrying out some work in Grain Corp property.

The issued Works on Waterway Licence, GHCMA-W-2018-00252, has specific works conditions which restrict project work activities to be within the development boundary. The upstream and downstream sections of the waterway outside the development boundary are not supposed to be altered. That would mean that the option of modifying the existing culvert as discussed above would violate the conditions of the Works on Waterway License, and also would require consent from Grain Corp, as this would affect their site access.

The Design Engineer has come up with a solution to build underground drainage piping which would function in the same way as the detention basin. This new design will retain more water in the extended basin and release it at a flow rate which matches the capacity of the existing culvert installed in Grain Corp property.

This option would take away the need to carry out some culvert modification works in Grain Corp property and also the uncertainties in terms of getting the authorisation and any further delays associated with the process.

There won't be any penalties from CMA for violating the conditions of the Works on Waterway License.

The budget for the works is shown in the table below:

Budget	Amount
Overall Project Budget for 2019/20	\$5,096,332
Contract Value	\$ 3,418,181.82
Variation 1	-
Variation 2	\$20,610
Variation 3	\$46,600
Variation 4	\$188,725
Total amount of Contract Variations 1-4	\$255,935
Revised Contract Value	\$3,674,116.82

The above table shows that the award of the variations does not require extra funding, the overall project budget is \$5,096,332 against the revised Contract value of \$3,674,116.82.

A snapshot from the Procurement Policy is presented below:

Procurement Guidelines - Variation Delegations

New Contract Value Including all Variations	Variation % (whether one or more variations)	Process type	Approval by
\$150,000.00 and above	Variation less than 20% and less than \$75,000	Variation Certificate	Approved by Chief Executive Officer
\$150,000 and above	Variation greater than \$75,000	Council Report	Approved by Council at monthly meeting

Procurement Guidelines – Variation Delegations

Variations 1-3 were processed at CEO's delegation but with Variation 4, the overall variation to the Contract would be over \$75,000 & require Council resolution.

Financial and Resource Implications

- The project is budgeted within the Council's capital works programme for the financial year 2019/2020;
- Overall, the project will be within the budgeted amounts;
- Considering above, there are no financial implications on the Council.

Legislation, Council Plan and Policy Impacts

This report assists Council in meeting its obligations under the Local Government Act 1989.

This report also relates to the:

- 2019-2020 Southern Grampians Shire Council Budget.
- 2017-2021 Council Plan – 5.1.2 Ensure responsible, effective and efficient use of Council resources
- SGSC Procurement Policy and Guidelines
- Works on Waterways Permit
- Planning and Environment Act (1987)

Risk Management

What are the benefits/risks?

- The stormwater network will mitigate any potential flooding in the sub-division for rainfall events under 1% AEP.
- The stormwater network will be installed to a standard to ensure there is no excessive stormwater discharge to any neighbouring properties.

Environmental and Sustainability Considerations

Council officers and the Contractor has considered the environmental impacts – usage/disposal of materials on the project.

Community Consultation and Communication

Council officers have kept the stakeholders informed on the progress of the project.

Disclosure of Interests

All Council Officers involved in the development and advice provided in this Report affirm that no direct or indirect interests need to be declared in relation to any matters in this Report.

The evaluation panel affirm that no direct or indirect interests need to be declared in relation to any matters in this Report:

RECOMMENDATION

It is recommended that Council approve under Contract 56-18 Hamilton Gateway Business Park, Variation 4 for \$188,725 (Excl GST) increasing the contract value to \$3,674,116.82 (Excl. GST).

10.8 Update on the Progress of the 2019-2020 Capital Works Program

Directorate: David Moloney, Director Shire Infrastructure
Author: David Moloney, Director Shire Infrastructure
Attachments: None

Executive Summary

The capital program forms a significant proportion of Council's budget. In 2019-2020, over \$23M was allocated to capital works projects across the Shire with this being forecast to just over \$24M with deferred and carry forward projects. This report indicates the progress to date on the capital works program. Assessments of the capital program delivery is to the 31 December 2019 and compares actual and forecast targets.

Southern Grampians Shire Council has 161 projects in the capital works program that are to be delivered this financial year. At the end of December 2019, Council has started 128 projects with 14 of those now complete. This equates to 85.7% of the capital works program started with 8.7% complete for the 2019-2020 FY.

This report is for noting by the Council.

Discussion

The capital program forms a significant proportion of Council's budget. In 2019-2020, over \$23M has been allocated to capital works projects across the Shire. Previous advice to Council has seen several projects deferred including Cox St which was forecast to send \$3M in the FY. The works included:

- Road and Bridge Upgrades
- Footpaths
- Playgrounds
- Building Maintenance
- Culverts
- Kerb and Channel
- Recreation Centres and Facilities
- Cox Street Upgrade
- Industrial Land Project
- Landfill Projects
- Livestock Exchange Roof

Council has secured several funding sources to assist with the capital required to maintain its assets. These include:

1. Roads to Recovery (Federal Government) \$2.3M
2. Fixing Country Roads (State Government) \$1.35M
3. Black Spot Funding (Federal Government) \$260,000

These funding sources have enabled Council to undertake additional projects in order to minimise the increase in the asset backlog.

The aim of the capital program is to provide targeted funding on projects to maintain or improve Council's infrastructure, assets and services. The review of the progress is important to ensure that the projects are delivered. This report looks at the actual delivery of the 2019-2020 capital program to the end of December 2019.

After Council adopted the 2019-2020 budget, Council Officers forecast the capital program for the following criteria:

1. Forecast project start date
2. Forecast project finish date
3. Forecast expenditure

Each month staff update the progress of their projects and charts are developed to monitor the progress of the program.

Time

The 2019-2020 Budget listed 161 projects to be delivered across the range of areas listed above. These projects range from \$10,000 to \$4.5M.

Figure 1, Project Start Dates, shows a comparison between the forecast start date for projects and the actual start dates for projects.

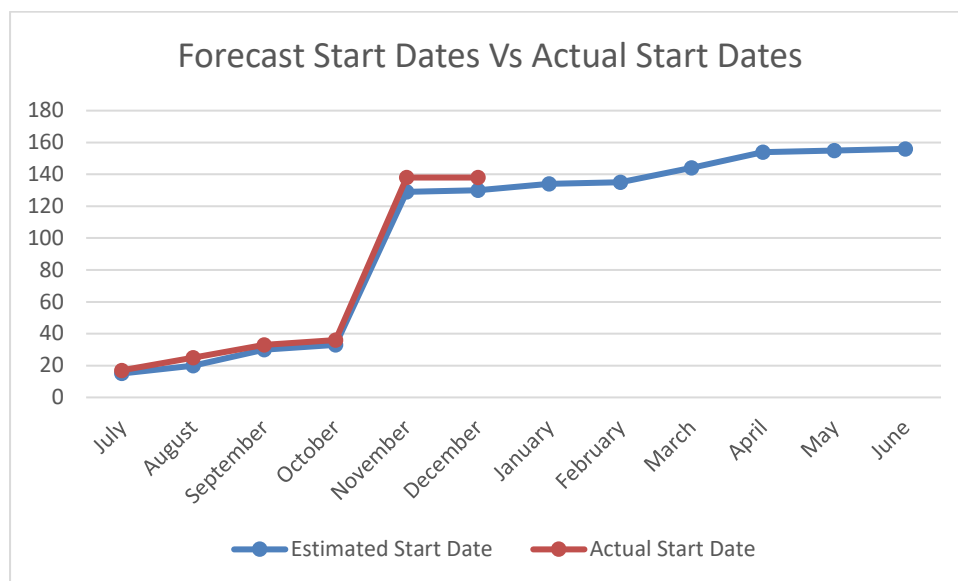


Figure 1 Project Start Dates

Figure 1 shows that Council is tracking to forecast on projects started. This figure excludes excluding those projects which were deferred.

Figure 2, Project finish dates, shows the forecast finish dates for projects against the actual finish dates. Figure 2 shows Council is also tracking on the completion of projects to forecast. Council forecast to complete 16 projects by December 2019 and actually completed 14.

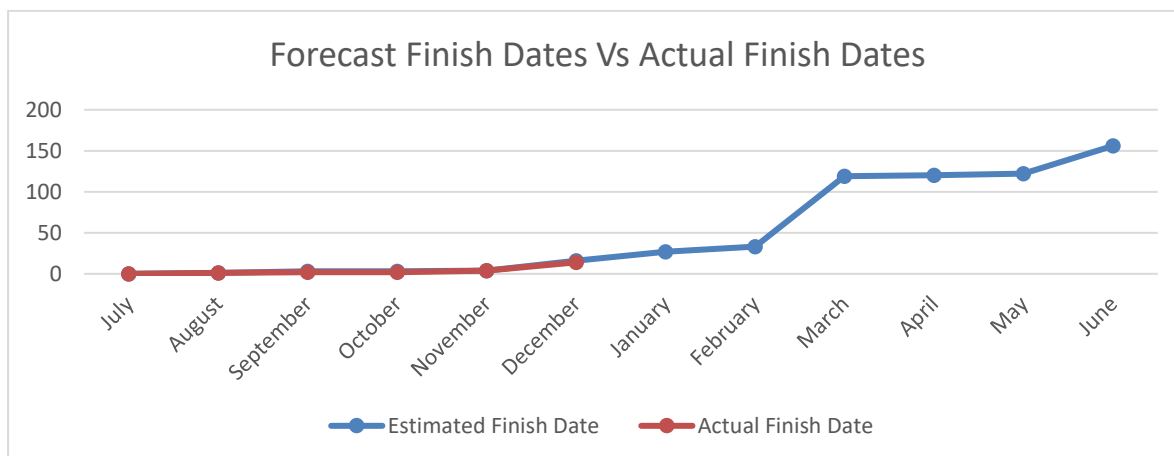


Figure 2 Project finish dates

Figure 3, Forecast Expenditure vs Actual Expenditure, shows the forecast expenditure vs the actual expenditure on projects. Figure 3 shows that expenditure is relatively low when compared to the budget forecast.

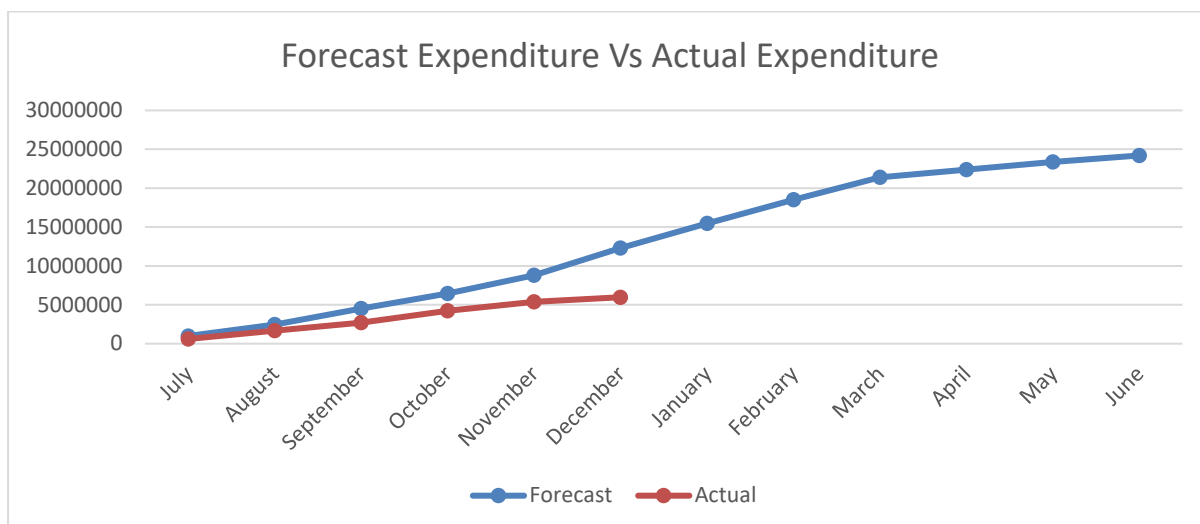


Figure 3 Forecast Expenditure vs Actual Expenditure

Project Status	Actual	Planned
Not Started	19	27
Started	138	130
Completed	14	16
Deferred	4	4

Figure 4 Project Status Summary

Figure 4, Project Status Summary, shows the program against the planned program delivery.

Overall, there has been significant progress made in the past 6 months in regards to delivering the capital works program. Council has put significant effort in to getting an early delivery of the Capital Program.

The major area of improvement has been in the early letting of contracts for works within the program. This has led to a significant uplift in projects being started earlier than previously done.

Actuals	\$ 5,973,728
Under Contract	\$ 7,045,457
Works Department	\$ 6,194,328
Ventures	\$ 2,097,386
Other Projects	\$ 2,892,073
Total	\$ 24,202,972

Figure 5 Project Value breakdown

Figure 5 shows that while only \$5.9M has been expended to date there is another \$7M in contracts already let for works to be delivered along with a further \$6M from the works department.

Council has now let contracts for all the bridge renewals and major culvert that were required. Major projects such as the Industrial Estate continue to progress but not as quickly as planned with the main program still to be delivered being the heavy fleet program.

Legislation, Council Plan and Policy Impacts

This report assists Council in meeting its obligations under the *Local Government Act 1989*.

This report also relates to the:

- Southern Grampians Shire Council – 2017-2021 Council Plan and;
- 2019-2020 Southern Grampians Shire Council Budget.

Disclosure of Interests

All Council Officers involved in the development and advice provided in this report affirm that no direct or indirect interests need to be declared in relation to any matters in this report.

RECOMMENDATION

The progress report into the delivery 2019-2020 Capital Program is received by Southern Grampians Shire Council.

11 Notices of Motion

11.1 Notice of Motion #1/20

Cr Rainsford

I hereby give notice of my intention to move the following motion at the Ordinary Council Meeting to be held on 12 February 2020

MOTION

That Southern Grampians Shire Council develop a policy for identifying and prioritising local road upgrades and associated budget allocation to be integrated with the Southern Grampians Road Management Plan.

Background

2.3 Review of the Plan 2.3.1 Audit A program of auditing, using both internal and external auditors, is being developed for the purposes of ensuring that all the management systems in place are delivering the levels of service adopted by Council for its road network assets. This Road Management Plan will be reviewed in accordance with sections 303 and 304 of the Road Management (General) Regulations 2005 and will be conducted every four years in line with Council elections. The review will consider the levels of service for road infrastructure on public roads maintained by this Council. Particular attention will be given to managing the demand for asset maintenance with the proposed level of resources made available through the Council budget. If the adopted level of service, i.e. tolerable level of defect and/or rectification response time, is not achievable, the level of maintenance effort may need to be varied. The level of service, the anticipated quantity of works and Council's budget and resources would have to be reviewed and a new Road Management Plan proposed. Any revised Plan would be subject to the consultation and approval processes as detailed in Section 54 of the Act.

Officers Comments

Council does currently have a policy in regards to upgrades of assets including roads as stated in the Asset Management Policy (AMP) 2019. This Policy was first adopted in July 2017.

The AMP does not exclude upgrades but acknowledges that renewal of the current Council assets is a priority for Council funding. The current Road Asset backlog is just over \$14M. This means to get all road assets below the renewal level Council will need to spend an additional \$14M on top of Council's annual Capital allocation.

The current AMP looks to address the asset maintenance issues by focusing Council's Capital works program on asset renewal to assist Council to meet its RMP obligations and standards.

The Road Management Plan (RMP) details the responsibilities and maintenance standards that Council sets for those roads on the Register of Public Roads (Road Register). By having this backlog pressure is placed on the maintenance budget to hold the network together and meet intervention standards.

12 Delegated Reports

Reports on external Committees and Representative Bodies for which Councillors have been appointed as a representative by Council.

13 Mayors and Councillors Reports

Address from the Mayor and Councillors in relation to matters of civic leadership and community representation, including acknowledgement of community groups and individuals, information arising from internal Committees, advocacy on behalf of constituents and other topics of significance.

14 Confidential Matters

There are no Confidential Matters listed on tonight's agenda.

15 Close of Meeting

This concludes the business of the meeting.