



ORDINARY MEETING OF COUNCIL SUPPLEMENTARY ITEMS

To be held at 5pm on

Tuesday 15 December 2015

Council Chambers

11 Manning Street, KIAMA NSW 2533

Members

His Worship the Mayor

Councillor B Petschler

Councillor W Steel

Deputy Mayor

Councillor M Honey

Councillor G McClure

Councillor N Reilly

Councillor K Rice

Councillor D Seage

Councillor A Sloan

Councillor M Way

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16 ADDENDUM TO REPORTS

16.1 Grant Funding - Project AIRSHIP

CSP Objective: 1 A Healthy, Safe and Inclusive Community

CSP Strategy: 1.6 Recognise and promote community safety throughout the Municipality

Delivery Program: 1.6.1 Provide a beach lifeguard service at designated beaches within the Municipality

Summary

This report informs Council of an application submitted to the Department of Primary Industry for funding under the New Observation Towers on Beaches and Headlands Program.

Finance

Partly funded from a grant application and partly funded from the lifeguard's PhD sponsorship.

Policy

Not applicable

Attachments

Nil

Enclosures

Nil

RECOMMENDATION

That Council accepts the grant of \$5,150 from the Department of Primary Industry (DPI) for the purchase of the AIRSHIP for use at Surf Beach Kiama.

BACKGROUND

The NSW Department of Primary Industries (DPI) recently invited applications for grant funding of up to \$30,000 per annum for new observation towers on beaches and headlands within NSW.

One of Council's beach lifeguards, Kye Adams is a marine scientist who has spent considerable time studying shark activity. In conjunction with Council and under Council's umbrella, Kye Adams prepared and submitted an application for grant funding of \$10,150 for Project AIRSHIP for Surf Beach, Kiama. AIRSHIP stands for Aerial Inflatable Remote Shark Human Interaction Prevention. In effect it is a blimp which will, subject to approval of the relevant authority, be tethered off Surf Beach. It will have a camera attached which will record and send live images to a laptop computer located in the surf club. The cost of the blimp and helium is in the vicinity

Report of the Acting Director Corporate and Commercial Services

16.1 Grant Funding - Project AIRSHIP (cont)

of \$4,000. The cost of wages to monitor the images makes up the remainder of the cost.

Discussion with DPI has revealed that the department had been looking at the potential for using this type of technology for some time and therefore was keen to fund the application.

However, given the competitive nature of the application process this year, following a spate of shark sightings at attacks, the department has only offered Council funding of \$5,150, a shortfall of \$5,000.

However, Council's lifeguard, Kye Adams, will be commencing a PhD next year and is prepared to fund the shortfall from his scholarship, as the information obtained from the AIRSHIP will be relevant to his studies.

It is proposed that for future years the AIRSHIP operation will be funded by corporate advertising on either side of the AIRSHIP.

As the AIRSHIP can only be launched in good conditions, it is proposed to operate the AIRSHIP for a full season to determine how often it can be used before seeking expressions of interest for advertising.

It is proposed to purchase the AIRSHIP after approval has been granted to locate it off Surf Beach and subject to testing it will be available for regular use at the start of the 2016-17 season.

A major benefit of it being mobile is that it can be moved to other locations such as Warri Beach during the Captain Christie.

Acceptance of the grant was required by 28 November but DPI has given Council an extension so that it can be determined at the December Council meeting.

16.2 24th NSW Coastal Conference 11-13 November 2015Responsible Director: Office of the General Manager

The New South Wales coastal conference was held at Forster attracting around 250 participants. Councillors Sloan and Reilly attended the conference.

The conference, compared to others with a coastal communities flavour, was rather technical in its nature but this only enhanced the value of the event. We were both very impressed by the first plenary session, which set the tone for a very well presented and very relevant conference. We attended different streams of the concurrent sections in order to cover as much ground as possible in a tightly packed, well run offering of presentations.

Plenary sessions

Following a brief welcome to country, Glenn Handford, General Manager of the host council, Great Lakes, offered an extremely motivational and inspired presentation on his 'journey' of learning with regard to the council's experience in buying and selling wetlands. The subject of his education seemed to play a lesser role to his process of change.

Mr Handford spoke of the need for a collaborative, anti-perfectionist approach to projects and for those participating to admit the gaps in their learning and close them in a very unguarded manner so as that elements of the journey could provide valuable insights for future projects. He said that the process of his discovery was somewhat against his natural instincts in that mistakes were viewed as learning experiences.

The next speaker was Dr Tim Foresman of the University of Technology, Queensland: "Pivotal Partnership Principles to Protect and Preserve Our Precious Planet"

Dr Foresman is a gifted presenter who spoke of the realities of making coastal science relevant to a wider audience to reach beyond the academics. His engaging presentation encouraged the use of what he called the 'barroom test' to see if the important, real world contexts of coastal science were reaching the general public. The need for this is that if evidence points to a significant change in our planet, we are obligated to use the best channels to communicate this.

The reality is that 99% of the population does not know, care or understand about the changes in our climate or how these changes will affect their lives. If we (he called conference participants the 'One Percenters') do not learn to communicate at a level where we can be understood, then the message, however important, will not be heard and certainly not acted upon.

The last speaker of the plenary session was Mike Daniels from a company, Behavioural Architects. The title of his presentation was 'Applying the Power of Behavioural Economics to Behavioural Change - How small interventions can make big differences.' Once again this presentation was on the topic of communication...this time in an applied manner.

The following points resounded very strongly with an audience keen to have their messages heard with clarity:

Reports for Information

16.2 24th NSW Coastal Conference 11-13 November 2015 (cont)

- 1) Much of what we do is subconscious. Human beings have two systems of thinking, system one is automatic and intuitive in which we spend most time, system two conscious and effortful. He gave many examples of these types of thinking, and their importance in communication of sometimes complex information. One example posed the question (which needs to be answered quickly) if a bat and ball cost a total of \$1.10, the bat costs one dollar more than the ball. How much does the ball cost? Most answered wrongly \$0.10. The distinctive mark of this easy puzzle is that it evokes an answer that is intuitive, appealing, and wrong. If the ball costs \$0.10, then the total cost will be \$1.20 (that is 10¢ for the ball and \$1.10 for the bat which we were told was one dollar more than the ball). The correct answer is \$0.05. \$1.05 for the bat which is exactly \$1.00 more than the ball.
- 2) Influences and innate bias can easily misdirect understanding and decision making. The speaker cited the many challenging biases communicators confront.

Mass Cognitive bias	The tendency to search for, interpret, favor, and recall information in a way that confirms one's beliefs or hypotheses, while giving disproportionately less consideration to alternative possibilities.
Gamblers Fallacy Bias	The mistaken belief that, if something happens more frequently than normal during some period, it will happen less frequently in the future
Status Quo Bias	The current baseline (or status quo) is taken as a reference point, and any change from that baseline is perceived as a loss.
Loss Aversion Bias	This is a preference for a sure outcome over another with higher or equal expected value...a tendency to prefer the complete elimination of a risk even when alternative options produce a greater reduction in risk
Default Setting Bias	This is where, to avoid the discomfort of complex choices, we opt for the default supplied to us. Thus many of our "choices" are not choices in any real sense.
Endowment Effect Bias	This where we ascribe more value to things merely because they own them. (For example, if participants were first given a Swiss chocolate they are generally unwilling to trade it for a coffee mug, whereas participants who were first given the coffee mug were generally unwilling to trade it for a chocolate.)
Authority Bias	This is where we assert that the conclusion <i>must</i> be true if it comes from an authority or expert without first checking all the facts.

Reports for Information

16.2 24th NSW Coastal Conference 11-13 November 2015 (cont)

The speaker gave some excellent examples of how to use these known behavioural attitudes to better construct our arguments.

Session presentations

Sessions 2, 3 and 4 were split into three streams totalling 46 presentations, 38 of which were covered by Councillors Sloan and Reilly. The next day sessions 5, 6 and 7 were similarly covered.

On day three the Minister for Planning, the Hon. Rob Stokes presented changes to the Coastal Zone Management Plan.

Highlights from Councillor Reilly

With so many of these events, much of what we learn is through interaction with other delegates. For me, the refreshingly honest presentation of the great Lakes Council General Manager was an inspiration. His story was of his journey of learning and acceptance through hard work, honest question and making mistakes.

His experience and the outcomes could not have been achieved without his admission of lack of knowledge at the outset. He countered by genuinely seeking advice from experts, colleagues and from counsellors who had the knowledge he required. This combined with other presentations relating to the communication of complex messages blurred the lines between what is traditionally considered operational and strategic aspects of council.

For those who doubt the Science, it is necessary that we be generous. Our attempts to communicate need to be at a common level and appeal. We also must encourage all of our colleagues to undertake the harder and more focused system two thinking and in all instances insist on the evidence to support an argument.

Commercial Fishing: Michael Voyer, University of Technology

This presentation spoke about the benefits, challenges and a way forward for commercial fishing in our communities and suggested that there can be great social benefits from commercial fishing. To obtain social data through engagement with a suspicious industry was difficult but used one to one, rather than group meetings where wives and partners of fishers could be heard.

Sea Level Rise Adaption Planning: Stuart Waters, Twyfords

An approach to this topic was put that the community must own the issue...we can't just put out plans for public exhibition and expect understanding. The speaker suggested that we (councils) must have total internal understanding of the issue before we start. The suggestion was then to put up pop-up booths and information stalls to help define and design a plan of communication. He also suggested talking about one issue at a time. We saw a newspaper headline regarding one such successful planning exercise in the Marks Point and Belmont South communities' 'COMMUNITY FEEDBACK SHAPES PROJECT'. This was very powerful and saw a situation come from conflict to collaboration.

Making Waves? Community Participation in Coastal Planning - Megan Hawley, Lindsay Taylor Lawyers

The point here was that policy has more weight if consistent and engagement is well done.

Reports for Information

16.2 24th NSW Coastal Conference 11-13 November 2015 (cont)

Estimating Losses of Seagrass Due to Boat Moorings In Lake Macquarie and Port Stephens - Greg Wast, NSW Department of Primary Industries.

Current design of boat moorings have been shown to destroy sea grass habitat. Boat moorings rely on a heavy chain anchored to the sea floor. It must be able to swing through 360 degrees. In doing so it effectively clears sea grass in a circle around the mooring that takes decades to regenerate. Better design is called for.

Potential of GPR (Ground Penetrating Radar) with OSL (optically stimulated luminescence) to provide insight on Theoretical and Practical Aspects of Coastal Change - Amy Dougherty, University of Wollongong

Despite the extreme technical language used in the title of this presentation, it was enthralling! The idea is that the radar images go deeply in the earth below our beaches, so an image of the beach can be seen as it was thousands of years ago. Then light is used to test and carbon date the silica. We have a view into the past! We can see in past periods of sea level rise, titanic storms and other catastrophic events and how our beaches reacted and rejuvenated. We learn from past events.

Cruising the Wallis fantastic - a showcase of catchment to estuary connection

We cruised down Wallamba River one of Wallis Lakes major rivers and saw examples of wetland rehabilitation, regeneration of riparian areas and river bank stabilisation. We learned about the memorandum of understanding established with skiers and wake boarders to manage boat wash, their council engagement of landholders through Sustainable Farming as well as the latest results from the Great Lakes Waterway and Catchment report card.

The technical streams attended by Clr Sloan focussed mainly on the changes to legislation, policy and best practice planning for Coastal Zone Management.

This included various sessions on predicting rates of erosion of vulnerable beaches, flooding and other impacts expected due to sea level rise, and mechanisms that can be used to adopt to change from engineering structures to “planned retreat”.

Plenary Session - Prof Emma Johnson

One of the plenary sessions, presented by Prof Emma Johnson, discussed the general relationship between heavy metal and plastic contaminants in waterways and sediment and the dramatic reduction in native fish species. Copper contamination in Port Kembla harbour is so high that the sediment is “virtually mineable” and the introduced fish species completely dominate as a result. Prof Johnston urged councils and the State to get tougher on micro plastics, stormwater run-off and anti-fouling paints.

Adaptive Coastal Protection and Sea Wall Design – Prof Ron Cox UNSW

A Values Approach for Adaptation Planning – S Graham UNSW

The expectations and values of both locals and tourists when it comes to beachfront areas was another interesting session. Whilst locals appreciate the beach for relaxation and recreation, visitors are much more likely to value the view. The water/sand interface (watching the waves) is particularly important for them. This is important to appreciate when designing structures to protect against erosion. If those

Reports for Information

16.2 24th NSW Coastal Conference 11-13 November 2015 (cont)

structures block views from sitting areas then the value of the beach for tourism is greatly diminished.

Dairy Farmer to Council Environmental Officer – Bob McDonnell Taree Council

Big Swamp, Big Plumes, Big Results – D Love Taree Council

Several sessions on the management of acid sulphate soils were attended. Some councils are returning drained former swampland areas back to more natural arrangements to overcome slugs of acid sulphate water from damaging river health further down. When an area is returned to being a brackish tidal area, the salt water carbonates and neutralises the acid before it has the chance to cause damage in a storm event.

Contaminants of Concern in Coastal Zone – M Mallavarapu, University of Newcastle

If you have a choice, it is highly recommended that local prawns be eaten instead of imported prawns. Scientists from the University of Newcastle have determined that Australian prawns have less than one third of the DDT and PCB levels of imported prawns.

Field Trip – Stormwater Management, Littoral Rainforests and Water Sensitive Urban Design

The Great Lakes Council area is home to renowned lakes such as the Myall and Wallis Lake systems. The health of these lakes is integral to the health of the tourism and aquaculture industries. As a consequence, Great Lakes is probably at the forefront of NSW councils when it comes to stormwater management and reducing nutrient loads washing off urban areas into the lakes.

All new sub-divisions are required to have constructed wetlands, and in infill areas, all new homes are required to install “raingardens”. These raingardens have a dual role of reducing peak volumes of run-off and also removing nutrient and sediment by filtration through sand and uptake by water plants. A typical raingarden removes more than 50% of sediment and nitrogen from stormwater run-off and costs about \$1500 to install.

Below is a photo of a raingarden (the area within the treated pine) from the Great Lakes Council. Council has offered to share all standard designs and community education resources with other councils.

Reports for Information

16.2 24th NSW Coastal Conference 11-13 November 2015 (cont)



Item 16.2

The keynote speaker on the final day was Planning Minister, Rob Stokes.

The Minister launched proposed legislation (Coastal Management Bill 2015) and supporting documentation which will replace a range of existing State Environmental Planning Policies (SEPPs) and overhaul the heavily criticised current Coastal Act.

The new Coastal Act, Coastal Management SEPP, and Coastal Management Manual describe how the following areas are to be managed:

- coastal wetlands and littoral rainforests
- coastal vulnerability areas (flooding and beach erosion)
- coastal environmental areas, and
- coastal Use areas which covers all urban areas within 1 km of the coast.

A new technical authority, the NSW Coastal Council, will support and audit the implementation of councils Coastal Management Plans.

The form of urban areas could be affected by the new legislation as the (draft) management objectives for the Coastal Use Areas include:

a) to protect and enhance the scenic, social and cultural values of the coast by ensuring that:

Reports for Information

16.2 24th NSW Coastal Conference 11-13 November 2015 (cont)

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- (i) the type, bulk, size and scale of development is appropriate for the locations and natural scenic quality of the coast, and*
 - (ii) adverse impacts of development on cultural and built environmental heritage are avoided or mitigated, and*
 - (iii) urban design, including water sensitive urban design, is incorporated into development activities, and*
 - (iv) adequate public open space is provided.*

The 2015 Coastal Management Conference provided a very valuable insight to the future management of our coastline and provided information about practical measures that can be implemented to improve and protect these areas and engage the community in both planning for and actively managing the important coastal zone.

16.3 National Stronger Regions Fund Round 2

CSP Objective: 4 Responsible Civic Leadership that is Transparent, Innovative and Accessible

CSP Strategy: 4.3 Identify opportunities to diversify and expand new and existing funding sources to meet community needs

Delivery Program: 4.3.1 Manage Council's commercial activities in a sustainable manner

Summary

Council has recently been advised that its applications for funding under Round 2 of the National Stronger Regions Funding have been unsuccessful. However, following advice from the Member for Gilmore a list of projects has been submitted for possible Federal Government funding.

Finance

Not applicable.

Policy

Not applicable.

Attachments

- 1 List of projects for possible Federal Government Funding

Enclosures

Nil

RECOMMENDATION

That Council:

1. Express its strong disappointment in not receiving funding under Round 2 of the National Stronger Regions Fund for the subject projects.
2. Endorse the list of projects submitted for possible Federal Government funding.

BACKGROUND

Council has been recently advised that the application for Federal funding under Round 2 of the National Stronger Regions Fund to assist in the delivery of two (2) important community projects have been unsuccessful.

The relevant projects are:

1. The re-development of the Kiama Hospital site to create a 134 bed Aged Care Facility, 16 Assisted Living Units, 51 Independent Living Units, Community entre and restoration of the heritage Barroul House and creating 70 new jobs - \$2 million funds sought.

Report of the General Manager

16.3 National Stronger Regions Fund Round 2 (cont)

2. The restoration and extension of the Gerringong School of Arts to create a new museum, library and community hub for Gerringong - \$1.5 Million funds sought.

The outcome is very disappointing. I have had discussions with the Federal Member for Gilmore who has advised of the emphasis on employment creation in the assessment of the applications. The fact that the creation of 70 new jobs at the Centre for Aged Care Excellence did not attract funding is surprising and it has also been noted that a range of community buildings in other electorates not involving significant direct employment have been successful. The subject projects are also development application approved and ready to proceed subject to funding.

Ms Sudmalis is encouraging re-submission of the applications for consideration in future rounds of funding and she has requested a draft list of other projects that may warrant consideration for future funding. A copy of the draft list is attached. Other projects which are in Council's capital works/renewal lists and can be "shovel ready" could also be submitted.

Federal Government Potential Project Funding Items

Jamberoo Swimming Pool Amenities	
<p>The Jamberoo Pool is located adjacent to Kevin Walsh Oval Jamberoo in close proximity to the centre of town. It is the only local swimming pool for the Jamberoo area and is highly valued by the community. The existing toilet and shower facilities are considered to be in poor repair and grossly inadequate in terms of the floor area and quality of facilities. It is therefore considered that the existing building needs to be demolished and replaced with a new and modern facility.</p>	<p>Council estimate the cost of demolition and construction to be approximately \$500,000.</p>
Riverside Drive – Boardwalk	
<p>Council has received numerous requests over recent years for the funding of a boardwalk along the edge of the Minnamurra River from the Minnamurra River Bridge to Gainsborough. Initial investigations were conducted in 2013 which revealed that the width between the existing guardrail and the river bank limited the ability to construct a footpath on ground at a number of locations. In order to then achieve a continuous walkway, sections of elevated, cantilevered boardwalk are required. The total length of the project is approximately 2km, with 1.3km being constructed footpath at ground level and the remainder being a combination of cantilevered or small bridge structures. Council engaged the services of “Landmark Products” who are the local supplier of a unique “Diamond Pier” system for the cantilevered sections. Due to the cost of the project, and State Government current “Fit for the Future” targets, Council has not included the project in any of its long term budgets, nor would it be in a position to provide any significant contribution to the cost.</p> <p>See attachment for some of the site constraints.</p>	<p>The total cost of the project was estimated at \$3m in 2013, with CPI the estimated figure is now in the order of \$3.15m. There are also environmental considerations with this project as a result of the proximity to the river and existing vegetation.</p>
Kiama Arts Precinct	
<p>a. Old Fire Station – expansion of the building to the west and north (on existing block), with the northern end of the building becoming 2 storey. Design will include increased gallery space, art workshop space and café, while retaining the existing Old Fire Space façade and interior. Will require removal of existing public toilets, with replacement to be included in</p>	<p>Approx cost \$3M</p>

new extension. Project will provide the opportunity for art exhibitions and sales, as well as art classes, and will be a tourist attraction as well as supporting local artists.	
b. Redevelopment of the Community Centre into an artistic/performance space. When the Community Centre is vacated by staff there will be an opportunity to redevelop this space into a performance, gallery and workshop space. The location of the building in a central location of town is a perfect venue for performing arts, such as recently demonstrated by the Kiama Kabaret performance. The open space of the current hall will provide flexible usage, while existing offices can be converted to workshop areas.	Approx cost \$500,000
Gerringong Library & Museum	
As per previous funding submissions, this facility will provide a community hub in Gerringong, supporting the full age spectrum of the community. The Library would offer programs for babies, toddlers, all ages of students and adults. The project will renovate the Old School of Arts, a locally heritage listed building, for the use of the community based Gerringong Museum. In addition, community meeting rooms and IT connectivity will make this a multi-functional space used by a range of organisations and community members.	Approx cost \$3M
Kiama Hospital Project – Aged Care Facility & restoration of Barroul House	
This project is of key significance economically and socially within the Kiama area. The need to make provision for an ageing population is well known, while the growth in employment in the aged care sector is also an important driver within this project. Offering an additional 60 permanent jobs in the aged care facility and approximately 250 jobs during construction this will have a major impact on the Kiama economy. In addition, the restoration of Barroul House will address an important piece of Kiama’s history and it will be accessible to the public as it will contain a café open to residents, visitors and locals	Request for funding \$2M
Adult Change Table	
With a greater awareness of the need to provide appropriate infrastructure for people with a disability Kiama would like to incorporate an adult change table into a public facility. This would especially benefit tourists to the area and would enhance Kiama’s reputation for accessibility. It is proposed that this facility could be added to the existing Joyce Wheatley	Approx. cost \$100,000

Community Centre, due to its central location within the town. The change facility would incorporate an adult change table, hoist, toilet & shower and would be built to the recommended access standards	
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16.4 Fit for the Future - Submission to the NSW Government**Attachments**

1 Fit for the Future Current Result

Enclosures

Nil

RECOMMENDED

That Council:

1. authorise the submission to be made to the NSW Government showing that Council will achieve "Fit for the Future" status as required by IPART by 2019/20, such submission to outline the manner in which that position will be reached.
2. implement the actions identified in the review process to achieve Fit for the Future status.

REPORT

Last month, Council engaged Morrison Low to work with Council to determine a path for Council to achieve the required status of "Fit for the Future" under the criteria established by the Independent Regulatory and Pricing Tribunal (IPART). In particular, the consultants were asked to consider actions to enable Council to meet the key financial ratios required to meet the established benchmarks. The study was undertaken with the knowledge that Council had demonstrated that it met the key 'Scale and Capacity' criteria of the IPART process.

On Monday, 14 December 2015, Councillors received a briefing from Mr Tim McCarthy of Morrison Low on the results of his investigations in Council's true position. As a result of those investigations the following was identified as appropriate actions to be taken (some of which has occurred):

1. A review of the application of depreciation to bring Council in line with similar local government bodies;
2. A review of the Long Term Financial Plan to restructure asset expenditure (renewals and maintenance);
3. Implementation of a program of income improvements to increase overall income each year, particularly from commercial activities, and
4. Implementation of expenditure savings across a range of services provision, including early payment and capitalisation of loans and sharing of regional positions.

By implementing the key elements of the proposals outlined by Mr McCarthy, along with the issues identified in Council's original submission to IPART (including a 12% rating variation application in the future spread over several years), the consultant is confident that Council will achieve and maintain a healthy Fit for the Future status

Mayoral Minute

16.4 Fit for the Future - Submission to the NSW Government (cont)

into the future. Of course, the implementation of actions to be taken will need to be properly assessed by the Council and gain the support of Council's independent auditor to ensure compliance with local government accounting and audit practices.

Attached is the revised benchmark performance with a conservative application of the initiatives outlined above. Council will meet five of the benchmarks by 2019/20 (including the critical benchmark of its operating performance ratio) and will be very close to two relating to infrastructure backlog and asset maintenance. Both of these will be trending positively, with the infrastructure ratio being met in 2020/21 and the asset maintenance ratio by 2023/24.

Item 16.4



Current Result

BENCHMARK	2019/2020
Operating Performance Ratio	1.1% ↙
Own Source Revenue Ratio	74.6% ↙
Building and Infrastructure Asset Renewal Ratio	123.4% ↙
Infrastructure Backlog Ratio (less than 2%)	2.4% ✘
Asset Maintenance Ratio	91% ✘
Debt Service Ratio	2.4% ↙
Decrease in Real Operating Expenditure	1,887.92 ↙

7136 - Kiama Municipal Council – Asset Depreciation

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