



MINUTES OF THE EXTRAORDINARY MEETING OF KEMPSEY SHIRE COUNCIL

Monday 13th February 2006 commencing at 3.22pm.

PRESENT:

Councillors J A C Hayes, (Mayor and Chairman), J H Howell, E A Green, J C Gribbin, T L Hunt, R H McWilliam, D F Saul, B R Sowter and E R Walker.

Acting General Manager, G B Snape; Director Shire Services, K J Finnie; Director Sustainable Services, R B Pitt; Minute Taker, Pat Hanrahan; and Donna Pearson.



At this stage Councillor Gribbin asked the Mayor if Council was breaking its code of meeting practice by the holding of this extraordinary meeting.

The Acting General Manager G B Snape advised the Council that the actions in calling this Extraordinary Meeting fulfilled the requirements of the regulations and Council's Code of Meeting Practice in that the meeting was called by Council resolution (a higher authority than the Mayor or 2 Councillors) due notice had been given, and the only matters to be discussed were those included in the Council resolution.

The Department of Local Government had suggested that Council continue its current arrangements in regard to Extraordinary Meetings and await the release of the final Best Practice Report.



CONSIDERATION OF CONFIDENTIAL REPORT

2006. 1

RESOLVED:

*Moved: Cl. Howell
Seconded: Cl. Walker*

THIS IS PAGE 1 OF THE FULL TEXT MINUTES OF THE EXTRAORDINARY 'THINK TANK' MEETING OF THE KEMPSEY SHIRE COUNCIL HELD ON MONDAY 13TH FEBRUARY 2006.

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MAYOR

That the confidential report be considered in the confidential section of the meeting.

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At this stage, 3.28pm, Councillor Gribbin retired from the Chamber and apologised for non-attendance at the remainder of the meeting.

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ADOPTION OF AGENDA ORDER OF BUSINESS

2006. 2 **RESOLVED:** *Moved: Cl. Howell*
Seconded: Cl. Walker

That the Agenda Order of Business be adopted.

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COMMITTEE OF THE WHOLE

2006. 3 **RESOLVED:** *Moved: Cl. Howell*
Seconded: Cl. Green

That Council move into Committee of the Whole for discussions related to future funding sources for maintenance of roads.

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2006. 4 **RESOLVED:** *Moved: Cl. Howell*
Seconded: Cl. Hunt

That the Council Meeting be resumed.

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DIRECTOR SUSTAINABLE DEVELOPMENT SERVICES REPORT

DSDS1	CARPARKING AREAS
FILE: 221 RBP (NRN) {Folio No. 312059}	

SUMMARY:

At its meeting of 21 November 2005, Council resolved to investigate the feasibility of selling the air space over Councils car parks in Central Kempsey, West Kempsey and Crescent head.



DESCRIPTION:

Whilst there are different factors operating in respect to each site, the common factors which would determine feasibility include: -

- The costs of acquiring development rights (either through purchase or by lease).
- The costs of developing the sites relative to the expected yields.
- The costs of ensuring that adequate parking remains available to service existing and future developments in each locality.
- Ultimately, the feasibility of developing these sites would be a commercial decision.

The purpose of this report is to identify the factors operating at each site that would affect the feasibility of any subsequent development of each site.

Clyde Street Carpark

Area

Clyde Street Carpark has an area of approximately 3500m² of which approximately 2400m² is owned by Council with the balance held in private ownership. Councils land is also burdened by a Right of Way servicing privately owned allotments facing Smith Street. [\(Appendix 1\)](#)

Zoning

The land is zoned 3(a) Commercial which would permit a retail development of the site which is likely to be at its highest use.

A floor space ratio of 2:1 applies to the land which would allow for a maximum of up to 7000m² of retail space (excluding car parking).

Carparking

The existing car park provides approximately 90 spaces. It is likely that approximately an additional 200 spaces would be required to service any future retail development of the site, assuming both Council and private land is developed. Should Council seek to develop its land in isolation, approximately an additional 70 spaces would be required.

In order to provide this parking it would be necessary to either construct an additional level of parking on site or develop a multi level car park

elsewhere in the immediate precinct. Based on Cordell's Commercial and Industrial Building Cost Guide, the cost of providing additional parking in a multi level configuration would be approximately \$20,000 per space.

Should parking be provided at ground level elsewhere in the precinct, this would be reduced to approximately \$2,400 per space.

Traffic

Traffic generated by any subsequent development of the site is likely to be significant. In the absence of any traffic studies or details of any proposals, it is not possible to determine what works would be required to facilitate additional access to the site, however, additional works such as a roundabout at the intersection of Clyde and Forth Street may be required which would add in excess of \$100,000 to the cost.

Land Tenure

Should Council decide to develop its own land in isolation, it would be possible to either sell the site with a provision in the contract that any existing car parking on Councils land be incorporated in the development for access by the public or to strata the ground level parking area from the upper level to retain the carpark in councils ownership.

In the likely event that the preferred option is to develop the entire site, the sale of the land would be the only feasible option as Strata Titling is unlikely to be achievable given the requirements of the Building Code of Australia in respect to fire rating.

Flooding

Council may be aware from the pole located in Clyde Street that flooding affecting the land is considerable. In accordance with Councils Flood Policy, the minimum applicable floor level for the site is 9.15m AHD with an approximate natural surface of level in the area of approximately 6m AHD (i.e. a height to the first floor level in excess of 3m).

Any development of the site would need to be accompanied by a suitable flood study which indicates that any subsequent building would not adversely affect the pattern of flooding or other structures in the area.

Other Constraints

In previous discussions with developers seeking to establish similar facilities in Kempsey, it is apparent that a highway frontage is preferred which may impact on the feasibility of any development.

As mentioned, a Right of Way exists over Council land in favour of private land facing Smith Street which would need to be addressed in any subsequent development proposal.

Stuart Street East Carpark

The carpark east of Stuart Street has the area of approximately 7400m² of which approximately 4700m² belongs to Council with the balance owned by the Macleay Regional Co-operative. [\(Appendix 2\)](#)

Zoning

The land is zoned 5(a) Special Uses (Carparking) and any subsequent development of the land would require a rezoning.

Carparking

Assuming the land would be rezoned to 3(a) Commercial, it is expected that the site could yield up to 14,800m² of leasable floor space (i.e. excluding car parking) for which an additional 420 car parking spaces would be required.

Based on similar developments in Kempsey, it is unlikely that a development of more than 5000m² would be feasible, thereby requiring approximately an additional 140 spaces in addition to the 210 existing spaces (i.e. 350 spaces).

Existing parking could be retained at grade. The additional parking could be provided on Council land earmarked for future car parking on the north western corner of Stuart and Forth Streets at a cost of approximately \$340,000.

Flooding

In accordance with Councils Flood Policy, the minimum floor height applicable in the area would be 9.1 metres AHD with an approximate natural surface level of 4 metres AHD (i.e. in excess of 5 metres).

Although Council does not have information relating to velocities on the site, being immediately adjacent to a flood way, the depth and velocity is likely to be considerable. Whilst raising the building on columns would overcome the affect of inundation, additional costs are likely to be incurred in constructing a building capable of withstanding the forces of flooding which would be a factor to consider.

Based on available information, the depth of inundation of the Stuart Street (west) carpark is likely to be well in excess of 5 metres and, in conjunction with its close proximity to floodway, is unlikely to be suitable for further development and has not been included in this report.

Edinburgh Lane Carpark West Kempsey

Area

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MAYOR

The carpark has an area of approximately 3100m² and is wholly owned by Kempsey Shire Council. [\(Appendix 3\)](#)

Zoning

The carpark is zoned 5(a) Special Uses (Car parks). Any development for commercial or residential purposes would require the site to be rezoned. As the land is surrounded on 3 sides by commercial zoned land, the highest use is likely to be commercial.

The site may also be suitable for an Aged Care Facility.

Traffic and Parking

If the site was to be developed for commercial purposes, it is likely that additional lands linking through to Tozer Street would need to be acquired in order to provide for adequate access by shoppers and service vehicles. It should be noted that Council has acquired land at either end of Edinburgh Lane for the purposes of widening.

Although underutilised at present, the strategy which led to the acquisition of the current carpark, relied upon provision of pedestrian access linking through to Elbow Street, which has subsequently been denied. In the event a developer found the site to be acceptable, it is likely that some form of link to Elbow Street would be sought. In such an event, the location of the carpark in conjunction with some form of retail development would be satisfactory.

Other Constraints

It is assumed that any retail development of the site would include a supermarket. The site has previously been suggested to potential developers who have advised that it is unsuitable due to its lack of visibility. If the site was to be developed for residential development (i.e. Aged Care Facilities) consideration should be given to retaining some land for car parking which could not be incorporated with the development.

Crescent Head Carpark – Rankine Street

Area

It appears that the car parking area in Rankine Street, Crescent Head is located partially on Council owned allotments and partially within the road reserve. The area of the actual carpark is approximately 1350m², whilst the area of Council owned land outside of the road reserve is approximately 1000m². [\(Appendix 4\)](#)

Zoning

The land is zoned 3(a) Commercial which, in addition to commercial or retail development, permits dwellings constructed in conjunction with shops. A (two) 2 storey limit applies to the land.

Carparking

Only \$6400 of the \$183,000 used to acquire and construct the carpark was drawn Section 94 funds which would need to be refunded to the Section 94 Plan and used for the provision of parking in the precinct. A further \$29,500 has been collected from developer contributions. Prior to Council considering disposing of the carpark for development purposes, it is recommended that a survey of the actual parking requirements for the precinct be undertaken.

Should Council consider it appropriate to develop the carpark, consideration should be given to formalising parking along the Rankine Street frontage of the Club and golf course in order to maximise parking available parking for the Country Club so as not to result in conflicts in the precinct in the peak usage periods.

REPORT IMPLICATIONS:

- ***Environmental***

Nil. For discussion purposes only.

- ***Social***

Nil. For discussion purposes only.

- ***Economic (Financial)***

Nil. For discussion purposes only.

- ***Policy or Statutory***

Nil. For discussion purposes only.

Director Sustainable Development Services Recommendation:

That the information be noted.

2006. 5

RESOLVED:

*Moved: Cl. Howell
Seconded: Cl. Walker*

That Council investigate expressions of interest for the development of its car-park lands.

DIRECTOR CORPORATE SERVICES REPORT

DCS1

OPERATIONAL LAND

FILE: * GBS (NRN)

{Folio No. 312061}

SUMMARY:

Reporting on Council owned operational land which has potential for sale or other usage.



At the Extra-Ordinary meeting of Council held on 21st November 2005 it was resolved –

“That a report be prepared on opportunities available for Council land classified as operational.”

Background

All land vested in Council (except a road or land to which the Crown Lands Act applies) must be classified as either “community” or “operational”.

The purpose of classification is to identify clearly that land which should be kept for use by the general public (community) and that land which need not (operational).

Community land would ordinarily comprise land such as a public park.

Operational land would ordinarily comprise land held as a temporary asset or as an investment, land which facilitates the carrying out of Council functions or land which may not be open to the general public, such as the Works Depot or Sewerage Treatment Works.

Community land must not be sold (except in limited circumstances), or leased for more than 5 years unless public notice is given.

Operational land is not subject to such restrictions.

Review of Operational Land

A review of Councils Operational Lands Register has been undertaken and set out hereunder is a schedule of those lands which have been identified as:-

- a) not required for Council usage and represent an opportunity for sale or higher level use, and/or

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- b) require further investigation.

Refer [\(Appendix A\)](#).

Council has the opportunity to sell operational land that is surplus to our current and future needs.

Council has already resolved to sell other lands at –

- i) Akubra Place
- ii) Spooners Avenue – Proposed Cemetery
- iii) Surplus Airport Lands
- iv) Various Reserves / closed roads

REPORT IMPLICATIONS:

- ***Environmental***

Nil

- ***Social***

Nil

- ***Economic (Financial)***

The funds obtained from the sale of Operational lands would be allocated to General Revenue in the first instance, and thereafter available at Council's discretion. However, care should be taken to ensure that funds gained from the sale of assets are not "frittered away".

- ***Policy or Statutory***

Nil

- ***Director's Review***

As per Report.

Director Corporate Service's Recommendation

1. That Council offer for sale by public auction the following properties, with reserve sale prices to be set by the General Manager.

Land ID

**903
2201, 13570, and 13571**

2346 and 13576
336, 19743, 19744, and 19745
691
14063, 3874 & 3875
2525, 12874, 12872, and 2811
3020
139, 12779, 519, 13204–11, 3341, 13952-3,
18424-6
645, 13227
17638-41, 19177
8953

2. That Council authorise the affixing of the seal to documents relating to the sale of lands identified in (1) above.
3. That Council invite expressions of interest from local licensed Auctioneers for the marketing and auctioneering of the lands listed in (1) above.
4. That Council contact owners of land adjoining Land ID 2980 (Sea Street drainage reserve) and seek expressions of interest for the subdivision and sale of land for consolidation with existing holdings.
5. That Council retain Land ID 19530 (former Smithtown Reservoir Site) for communication purposes.
6. That Council further investigate the potential for sale of the following lands (or part thereof) -

Land ID

21070
8082
1895 and 13509
1482
2934
181
3607, 3608, 3609, 3610, and 3677
13244 and 19618
822
1342
19630
10207.

7. That Council retains Land ID19530 for communication purposes.

2006. 6

RESOLVED:

*Moved: Cl. Sowter
Seconded: Cl. Walker*

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That Council conduct a works inspection of the land listed under recommendation points 1 and 6 of the Director's report, plus those lands previously identified, and Bullocks Quarry.

DCS2	MARKETING OF SURPLUS AIRPORT LANDS TO MAXIMISE POTENTIAL YIELD
FILE: 183 SJR (NRN)	{Folio No. 312064}

SUMMARY:

Reporting on methods to market surplus land at the airport to maximise potential yield.



A report on the valuation of the Kempsey Airport was submitted to Council on 21 November 2005

Council resolved: -

"That the Director supply a report on options of marketing airport surplus lands to maximise potential yield."

A map of the area is attached at [\(Appendix B\)](#).

The meagre returns outlined in the Valuation Report from Knight Frank Valuations suggest that rezoning of the land from Rural A1 and Rural A3 to General Industrial 4A or Light Industrial 4B would provide a much higher yield to Council. The rezoning process would take between one and two years depending on the range of studies required in the process. Should we elect to rezone as suitable for the development of a residential airpark, time and studies would be similar.

The maximum yield from the surplus land would be for Council to drive the rezoning process rather than to sell the surplus land to a private investor. Once appropriate rezoning has been completed Council then has the option to sell at a greater return, or to develop the lands in an entrepreneurial fashion.

The Macleay Development and Promotion Committee have voted budgetary funds toward a feasibility study for light industrial development within the airport grounds. The Economic Development Manager reported to the MDAP committee in December 2005: -

"Initial discussions have been held with AirBiz – a Victorian consultancy firm who has worked on similar projects with Local Councils. Their suggestion is that we hold a workshop with key stakeholders and

develop a SWOT Analysis; they then will develop a strategic plan. AirBiz has indicated that this is one of the most cost effective ways to determine a forward approach."

It is envisaged that this process can commence in March 2006, and opportunities will be provided for key stakeholders and Councillors to be involved in the process.

To determine the most appropriate use for the adjoining airport lands and hence the maximum yield to Council will require a well considered feasibility study. Once this is completed the necessary steps can be taken in the rezoning process.

The valuation reported to Council in November 2005 suggested the amalgamation of three allotments on the South Eastern side of the main runway. The amalgamation of these three lots would provide a land parcel of approximately 26 hectares and a prospective purchaser could reside in the existing fibro cottage on flood liable land whilst building a new residence on a site in a non flood affected area of the new allotment. This amalgamated parcel would have a value of approximately \$250,000. Discussions with Sustainable Development Services Department reveal that the amalgamation of these lots is achievable with minimal expense apart from surveying.

There are two land parcels on the northern portion of the airport site which have no existing public road frontage and with a total size of only 8 hectares would not qualify for a building entitlement. The optimum return to Council from these blocks would be a negotiated sale to adjoining landholders. The return from this sale is expected to be approximately \$100,000 and could take considerable time to achieve.

The process of amalgamation of land parcels and the negotiated sale to adjoining landholders could occur concurrently with studies to be undertaken by AirBiz. There is no requirement for Council to accept any purchase offers and indeed if the Strategic Planning process with AirBiz identified a better use for the land parcel Council would have the option to revise future plans. A report from AirBiz should be available for presentation to Council at the April General meeting.

REPORT IMPLICATIONS:

- ***Environmental***

Nil implications

- ***Social***

The community and key stakeholders will be provided the opportunity to have input in the process.

▪ *Economic (Financial)*

Council's MDAP committee has already set aside \$10,000 for AirBiz to formulate the strategic plan and the Economic Development Manager is seeking grant funding under the Sustainable Regions Program

▪ *Policy or Statutory*

Nil

▪ *Director's Review*

Nil

Director Corporate Service's Recommendation

1. That Expressions of Interest be invited for the purchase of the two parcels of land identified on the Northern area of the airport.
2. That the process to amalgamate the three parcels of land on the South Eastern area of the airport be commenced.
3. That AirBiz be engaged to commence to formulate a Strategic Plan for the airport site.

2006. 7

RESOLVED:

*Moved: Cl. Sowter
Seconded: Cl. Walker*

That Council's aerodrome lands are included in the works inspection of Council owned operational lands which have been identified as having potential for sale.

GENERAL MANAGER'S REPORT

GM1

ROAD FINANCING THINK TANK

FILE: 242 AVB (NRN) {Folio No. 312065}

SUMMARY:

Updating the current status of the Road Financing Think Tanks.



The resolutions passed at previous Think Tanks are: -

1. (In respect of Landsborough Street carpark)

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- (a) That the architects commence design preparation to include maximum underground parking area with the development of a three (3) storey building (above ground).
 - (b) That the design preparation be commenced for the Landsborough streetscape works.
- 2. That the presently maintained unsealed road network not be extended until the adoption of the Asset Management Plan for roads.
- 3. That the Director supply a report on options of marketing of airport surplus lands to maximise potential yield.
- 4.
 - (a) That Council invite tenders for the options for contract management of the 4 Shore Tourist Parks comprising the Crescent Head, Hat Head, Stuarts Point and Grassy Head caravan parks for a term of five (5) years commencing as from 1 July 2006 and for the contract management of the 4 Shore Tourist Parks comprising the Crescent Head, Hat Head, Stuarts Point, Grassy Head caravan parks and Goolawah Reserve for a term of five (5) years.
 - (b) That Council examine the position of the management of Goolawah Reserve following the review of the tenders for the caravan parks.
- 5.
 - (a) That the feasibility of selling the air space over Council's car parks be investigated.
 - (b) That a valuation be obtained for the Spooners Avenue site purchased as a possible cemetery site.
 - (c) The Akubra Place property be sold.
 - (d) That a report be prepared on opportunities available for Council land classified as operational.
 - (e) That the General Manager provide a report on marketing the CivicView product.
 - (f) That the next Think Tank will be held in conjunction with the January Ordinary Meeting of Council.

Progress in respect of the above resolutions is as follows: -

- (1) Instructions given to architects. It is anticipated that amended plans will be received within two (2) weeks.
- (2) No action required.
- (3) See report in this agenda.
- (4) Tenders have been invited and are now closed.
- (5a) See report in this agenda.
- (5b) See report in this agenda.
- (5c) Report to be submitted to Council on method of disposal.

- (5d) See report in this agenda.
- (5e) Increased marketing of the CivicView product was discussed at the last partners meeting. It has been decided to market the CivicView product as a complete package rather than try to market individual components. Information on each Council's system in NSW, Queensland and Victoria has been obtained with a view to identifying the age of the system currently in place and to develop a market niche of medium sized Councils such as Kempsey. The matter is to be further discussed at the next partners meeting to be held in March, particularly the role of the current distributor.

REPORT IMPLICATIONS:

- ***Environmental***

Nil

- ***Social***

Nil

- ***Economic (Financial)***

Nil

- ***Policy or Statutory***

Nil

- ***General Manager's Review***

Nil

2006. 8

RESOLVED:

*Moved: Cl. Bowell
Seconded: Cl. Hunt*

That the information be noted.



MOTION FOR CONFIDENTIAL COMMITTEE OF THE WHOLE

2006. 9

RESOLVED:

*Moved: Cl. Bowell
Seconded: Cl. Hunt*

That Council form itself into the Confidential Committee of the Whole, and at this stage the meeting be closed to the public to

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MAYOR

permit discussion of the confidential business items listed for the reasons as stated in the Agenda.

DIRECTOR CORPORATE SERVICES CONFIDENTIAL REPORT

DCS1	VALUATION OF SPOONERS AVENUE – POSSIBLE CEMETERY SITE FILE: LA11644 SJR {Folio No. 312066}
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REASON FOR PRESENTATION OF REPORT ON A CONFIDENTIAL BASIS

This report is submitted on a confidential basis in accordance with Section 10A(2)(c) and Section 10A(2)(d)(i) on the basis that the discussion of the matter if an open meeting:-

- could prejudice the sale price, and
- would not preserve the confidentiality of commercial information supplied by the Agents.

SUMMARY:

Reporting on valuations provided for Council owned land in Spooner's Avenue.



Director Corporate Service's recommendation:

- 1 That Council engage Winsome First National Real Estate to conduct a public auction of Lot 1 DP390152 Spooner's Avenue.
- 2 That the General Manager determines the reserve price to be set for the property.

MOVED:

*Moved: Cl. Green
Seconded: Cl. Sowter*

That the Director Corporate Services recommendation be adopted.

The MOTION was put to the meeting and was LOST.

2006. 10

RESOLVED:

*Moved: Cl. McWilliam
Seconded: Cl. Hunt*

That Council retain the Spooner's Avenue land until the Rural Land Release Strategy is completed and that Spooner's Avenue land be submitted for consideration for rural residential zoning.

DCS2	SALE OF AKUBRA PLACE PROPERTY	
	FILE: LA18995 SJR	{Folio No. 312067}

REASON FOR PRESENTATION OF REPORT ON A CONFIDENTIAL BASIS

This report is submitted on a confidential basis in accordance with Section 10A(2)(c) and Section 10A(2)(d)(i) on the basis that the discussion of the matter if an open meeting:-

- could prejudice the sale price, and
- would not preserve the confidentiality of commercial information supplied by the Agents.

SUMMARY:

Reporting on the selected method for sale of Council owned premises in Akubra Place



Director Corporate Service's recommendation:

- 1 That Council engages Winsome First National Real Estate to conduct a public auction of the premises at 5-7 Akubra Place.**
- 2 That the General Manager determines a reserve price for the property.**

2006. 11

RESOLVED:

*Moved: Cl. Howell
Seconded: Cl. Sowter*

That this item be deferred until the March ordinary meeting.



RESUMPTION OF OPEN COUNCIL

2006. 12

RESOLVED:

*Moved: Cl. Howell
Seconded: Cl. Sowter*

That the Open Council meeting be resumed.



CONCLUSION:

There being no further business, the Meeting terminated at 4.42p.m.

