



# **SPECIAL COUNCIL MINUTES**

6 JUNE 2012 AT 1.00 PM

## Council Members >>

The Mayor, Councillor Jenny Hill  
Councillor Suzanne Blom  
Councillor Colleen Doyle  
Councillor Gary Eddiehausen  
Councillor Ray Gartrell  
Councillor Jenny Lane  
Councillor Pat Ernst  
Councillor Anthony Parsons  
Councillor Trevor Roberts  
Councillor Vern Veitch  
Councillor Les Walker

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**MINUTES >> SPECIAL COUNCIL MEETING**  
**DATE >> Wednesday 06 June 2012 at 1.00 pm**  
**ITEMS >> 1 TO 7**  
**PRESENT >>** Councillor S Blom  
Councillor C Doyle  
Councillor G Eddiehausen  
Councillor R Gartrell  
Councillor J Lane  
Councillor P Ernst  
Councillor A Parsons  
Councillor T Roberts  
Councillor V Veitch  
Councillor L Walker  
The Mayor, Councillor J Hill



**Opening of Meeting >>**

The Chair, Mayor Jenny Hill opened the meeting at 1.00 pm.

**Apologies and Leave of Absence >>**

There were no apologies or leave of absence.

**Disclosure of Interests >>**

There were no conflicts of interest or material personal interests declared.

## OFFICERS REPORTS

### 1 TEMPORARY CLOSURE OF JENSEN LANDFILL & TRANSFER STATION FOR UPGRADE WORKS

#### Report to Council

**Authorised by** Director Commercial Businesses  
**Prepared by** Executive Manager  
**Department** Utility Services  
**Date** 28 May 2012

#### Executive Summary >>

Townsville Waste Services (TWS) is upgrading the Jensen Waste Facility gatehouse. To undertake these works, it is necessary to close the site to all customers from 9 July 2012 until 5 August 2012 (a four week period).

Closure of the site will affect domestic, commercial, and internal clients, however it is considered necessary in light of the safety and logistic implications surrounding operating the site without an effective gatehouse.

Customers will receive a minimum of two weeks notice of this closure and will be directed towards the Hervey Range Waste Facility, which is approximately 11 minutes away (by vehicle) from Jensen.

#### Officer's Recommendation >>

That council note the closure of the Jensen Waste Facility from 9 July 2012 until 5 August 2012 inclusive.

#### Council Resolution >>

**It was MOVED by Councillor V Veitch, SECONDED Councillor S Blom:**

"that the Officers Recommendation be adopted."

**CARRIED**

## 2 FINANCIAL SUMMIT AND CIVIC LEADERS SUMMIT - JULY 2012

### Report to Council

**Authorised by** Chief Executive Officer  
**Prepared by** Chief Executive Officer  
**Department** Executive  
**Date** 30 May 2012

### Executive Summary >>

1. The Local Government Association Queensland (LGAQ) Financial Summit will be held at the Novotel Twin Waters Resort on the Sunshine Coast Queensland on the 4 July 2012. Further details can be found on [www.lgaq.asn.au](http://www.lgaq.asn.au)
2. The Local Government Association Queensland (LGAQ) Civic Leaders Summit will be held at the Novotel Twin Waters Resort on the Sunshine Coast Queensland (following the Financial Summit) on the 5/6 July 2012. Further details can be found on [www.lgaq.asn.au](http://www.lgaq.asn.au)

### Officer's Recommendation >>

That the Mayor and Chief Executive Officer attend the LGAQ Financial Summit and Civic Leaders Summit being held at Novotel Twin Waters from 4 – 6 July 2012.

### Council Resolution >>

**It was MOVED by Councillor J Lane, SECONDED Councillor T Roberts:**

"that the Officers Recommendation be adopted."

**CARRIED**

### 3 ENTERTAINMENT AND CONVENTION CENTRE MAINTENANCE FUNDING

#### Report to Council

**Authorised by** Director Planning and Development  
**Prepared by** Manager Economic Development and Strategic Projects  
**Department** Strategic Planning  
**Date** 29 May 2012

#### Executive Summary >>

Built in 1993, primarily as an indoor sports and entertainment venue, the Townsville Entertainment and Convention Centre (TECC) is in urgent need of repair, refurbishment and upgrade. In December 2011 council estimated the base cost of these works at \$25.8 million.

As a result of the inability of the Townsville Entertainment and Convention Centre to meet the demands of the region for entertainment and convention facilities, and the need for considerable capital works to maintain the facility, the Townsville Entertainment and Convention Centre Joint Venture undertook an extensive analysis of the need for entertainment and convention facilities. This resulted in the proposal to develop a new Townsville Entertainment and Convention Centre at a cost of \$143 million.

Whilst \$95.3 million was secured towards this development, all approaches for a State commitment have been rejected, and as a result, the proposal, in its current form, has failed. Council must now consider the future of this project.

The Federal Government has committed \$47.67 million to the development of the new Townsville Entertainment and Convention Centre. A request has been received from the Office of the Minister for Regional Australia, Regional Development and Local Government for Council to advise its intent with this project. Council must now consider its response.

Without a significant capital injection, the Townsville Entertainment and Convention Centre will find it increasingly difficult to operate. There already exists a significant risk of failure. Property Management have assessed the condition of the facility and estimate that for the Townsville Entertainment and Convention Centre to continue to operate for the next five years, works to the value of \$7.029 million are required. Council must now consider how to manage this issue.

#### Officer's Recommendation >>

1. That council defer for review the current proposal for the development of the new Townsville Entertainment and Convention Centre;
2. That council join with local stakeholders, including but not limited to: the National Rugby League (NRL) North Queensland Cowboys; the National Basketball League (NBL) Townsville Crocodiles; Townsville Enterprise; the Townsville Chamber of Commerce; and the Townsville CBD Taskforce, to review North Queensland's need for sporting, entertainment and convention facilities. This review should have these objectives:
  - Determination of an agreed project scope including the form and function of facilities, broad location and timelines;
  - Preferred governance structure;
  - Determination of the process and milestones required to achieve the project; and
  - Roles and responsibilities.

3. That the Chief Executive Officer report back to council within 12 months on the findings of this review;
4. That council inform the Office of the Minister for Regional Australia, Regional Development and Local Government that the new Townsville Entertainment and Convention Centre project is deferred and request that the Federal contribution be held in abeyance pending review;
5. That council, as a matter of urgency, pursue State and Federal funding opportunities, to raise the necessary funds (\$7.029 million) to undertake required maintenance of the existing Townsville Entertainment and Convention Centre;
6. That council resolve to distribute funds, in the form of additional equity, to the Townsville Entertainment and Convention Centre Joint Venture, as follows:
  - i. FY 12/13 \$5.195 million
  - ii. FY 13/14 \$1.380 million
  - iii. FY 14/15 \$0.454 million

With such funds used by the Townsville Entertainment and Convention Centre Joint Venture wholly for the purpose of undertaking the maintenance program as outlined. This should be done independent of the outcomes of 5 above;

7. That Property Management project manage the Townsville Entertainment and Convention Centre maintenance program as outlined.

**Council Resolution >>**

**It was MOVED by Councillor P Ernst, SECONDED Councillor G Eddiehausen:**

"that the Officers Recommendation be adopted."

**CARRIED**



#### 4 COST EFFECTIVENESS OF TWO-PART TARIFF AND BEST PRACTICE PRICING IMPLEMENTATION PLAN

##### Report to Council

**Authorised by** Director Commercial Businesses  
**Prepared by** Director Commercial Businesses  
**Department** Commercial Businesses  
**Date** 5 June 2012

##### Executive Summary >>

Council at its meeting held on 16 May 2012 considered the assessment report on the cost effectiveness of two-part tariffs and resolved to seek community consultation in accordance with section 17 of the *Local Government (Beneficial Enterprises and Business Activities) Regulation 2010*, and to further consider the matter at the conclusion of the public consultation.

The public consultation period has closed and the results show that residents prefer to retain the current water pricing arrangements that provide them with a choice between two-part tariffs or a standard water allocation.

On 4 June 2012, the Director Commercial Businesses met with representatives of the Federal Government who confirmed that council has fulfilled its funding obligations to investigate the cost effectiveness of two part tariffs and recognised that any decision to implement a new pricing structure is one for council to make in consultation with the community.

In order to satisfy the requirements of the *Local Government (Beneficial Enterprises and Business Activities) Regulation 2010*, council must make a decision on whether to implement two-part tariffs.

##### Officer's Recommendation >>

That council:

1. note the Cost Effectiveness of Two-part Tariffs Assessment report recommending that compulsory two part tariffs be implemented for residential water uses, on the basis of its cost effectiveness;
2. note the results of community consultation which shows that the community overwhelmingly supports the retention of the current system where residents are provided with a choice between a two part tariff or standard allocation;
3. note that the Federal Government is satisfied that council has fulfilled its funding obligations to investigate the cost effectiveness of two part tariffs and recognises that any decision to implement a new pricing structure is one for the council to make in consultation with the community; and
4. determine its position with respect to the implementation of compulsory two-part tariffs for residential water users.

**Council Resolution >>**

**It was MOVED by The Mayor, Councillor J Hill, SECONDED Councillor Les Walker:**

**"that council:**

- 1. note the Cost Effectiveness of Two-part Tariffs Assessment report recommending that compulsory two part tariffs be implemented for residential water uses, on the basis of its cost effectiveness;**
- 2. note the results of community consultation which shows that the community overwhelmingly supports the retention of the current system where residents are provided with a choice between a two part tariff or standard allocation;**
- 3. note that the Federal Government is satisfied that council has fulfilled its funding obligations to investigate the cost effectiveness of two part tariffs and recognises that any decision to implement a new pricing structure is one for the council to make in consultation with the community; and**
- 4. determine to continue the current water pricing arrangements, which provides residents the option between a two-part tariff and a standard allocation."**

**CARRIED**

## CONFIDENTIAL ITEMS

**It was MOVED by Councillor Les Walker, SECONDED Councillor R Gartrell:**

"that council RESOLVE to close the meeting in accordance with Section 72(1)(b)(c)(h) of the *Local Government (Operations) Regulation 2010* which permits the meeting to be closed to the public for business relating to the following:

- (b) industrial matters affecting employees (item 7);
- (c) the local government's budget (item 6); and
- (h) other business for which a public discussion would be likely to prejudice the interests of the local government or someone else, or enable a person to gain a financial advantage (item 5)."

**CARRIED**

Council discussed the items.

**It was MOVED by Councillor Les Walker, SECONDED Councillor R Gartrell:**

"that council RESOLVE to open the meeting".

**CARRIED**

## 5 TOWNSVILLE CBD COOLING PROJECT

### Report to Council

**Authorised by** Director Community and Environmental Services

**Prepared by** Executive Manager

**Department** Integrated Sustainability Services

**Date** 30 May 2012

### Executive Summary >>

Townsville City Council has been a major partner with Ergon Energy in energy efficiency, energy demand management and renewable energy investigations and actions across the city over past five to six years. Through the Townsville Solar Cities and Townsville Network Demand Management (NDM) Pilot, Ergon Energy has delivered \$110 Million of energy demand management investment in the city leading to deferred network investment and multi-stakeholder energy savings of over \$10 million per annum. Townsville's leadership in energy use has evolved into the *Townsville: an Energy Sense Community* (Ergon Energy) with the significant flow on benefit generating city-wide business and industry capacity to reduce the impact of carbon tax liabilities and electricity price increases, while building a resilient sustainable city. Early on Ergon Energy's identified chilled water storage as offering a large scale opportunity to reduce demand, increase energy efficiency, and reduce customer bills in multi-stakeholder areas such as Townsville CBD. The Cooling Project is seen as having significant potential to make the CBD more attractive to developers, tenants and landlords, improve household energy affordability and enhance Townsville's national and global reputation.

The pre-feasibility study (December 2011) showed that the project was commercially and technically viable for a third party owner/operator, could deliver tenants savings and had the potential to defer network expenditure to take pressure off of household electricity bills. That study including preliminary urban planning, business engagement work and identified a number of sites for a distributed suite of chillers and tanks throughout the CBD and an overall Master Plan.

In principle support to proceed with a number of aspects of the project is now being sought by the Ergon Energy Alliance. Townsville City Council's participation as both a tenant (chilled water customer) and a potential host for the proposed CBD Chilled Water facility would allow the project competitive access to nearby and key customers in order. Indicative terms sheets and agreements with the proposed Stage 1 customers are expected by October 2012, with final investment decision by June 2013 and if there are no major barriers the anticipated commissioning dates is October 2014.

A representative from Ergon Energy has been invited to attend the Special Council meeting on 6 June 2012 and present.

### Officer's Recommendation >>

That council partner with Ergon Energy to enable the feasibility study to proceed to detailed planning and finalising of lease arrangements including:

- Becoming a chilled water customer;
- In principle support for hosting a site at councils Walker St offices; and
- Ongoing development partner for planning and support.

**Council Resolution >>**

**It was MOVED by Councillor V Veitch, SECONDED Councillor G Eddiehausen:**

- 1. "that the report/attachment be deemed a confidential document and be treated as such in accordance with sections 171 and 200 (9) of the *Local Government Act 2009* and that the document remain confidential unless council decides otherwise by resolution; and**
- 2. that council partner with Ergon Energy to enable the feasibility study for the Townsville CBD Cooling Project to proceed to detailed planning and finalising of lease arrangements including:**
  - a. becoming a chilled water customer subject to acceptable negotiations on terms and conditions;**
  - b. in principle support for hosting a site at councils Walker Street offices; and**
  - c. ongoing development partner for planning and support."**

**CARRIED**

## 6 TOWNSVILLE WASTE SERVICES FEES & CHARGES 2012/2013

### Report to Council

**Authorised by** Director Commercial Businesses  
**Prepared by** Manager  
**Department** Commercial Performance  
**Date** 30 May 2012

### Executive Summary >>

The schedules attached to this agenda report outline the proposed Townsville Waste Services fees and charges for landfills and commercial collection services for the 2012/13 financial year. The fees and charges reflect changes to the Queensland Government Waste Levy for non-municipal waste, introduction of the Carbon Pricing Mechanism and changes in the cost of operations.

### Officer's Recommendation >>

1. That the report/attachment be deemed a confidential document and be treated as such in accordance with sections 171 and 200 (9) of the *Local Government Act 2009* and that the document remain confidential unless council decides otherwise by resolution.
2. That council approve the Townsville Waste Services 2012/13 Fees and Charges Schedule and 2012/13 Commercial collection charges with an effective date of 1 July 2012.

### Council Resolution >>

**It was MOVED by Councillor V Veitch, SECONDED Councillor R Gartrell:**

"that this report be deferred so further information can be brought back to council."

**CARRIED**

## 7 CORPORATE STRUCTURE

### Report to Council

**Authorised by** Chief Executive Officer  
**Prepared by** Executive Manager/Director  
**Department** Human Resources People Performance/Corporate Services  
**Date** 30 May 2012

### Executive Summary >>

The resignation of the Manager Performing Arts and the Manager of Procurement triggered the opportunity for a review of the functional alignment of responsibilities amongst the different departmental portfolio's to determine whether better functional alignment could be achieved, service outcomes improved and savings as a result.

This report identifies functional synergies between existing positions and proposes realignment of the responsibilities of a number of positions, deletion of some positions from the structure and creation of some new positions to produce better service experiences and outcomes as well as savings for council.

Some of the changes proposed affect the Corporate Structure as well as Division and Department allocation of functional responsibility.

### Officer's Recommendation >>

1. That council approve the amendment to the corporate structure as at 30 June 2012 noting:
  - Deletion of the Department of Corporate Communications within the Corporate Services Division.
  - Deletion of the Divisional Support unit within the Community and Environment Division.
  - Customer Service Department title change to Communications and Customer Relations.
  - Commercial Businesses Division title change to Townsville Water and Waste Division.
2. That council note that arising from the above decision the position of Executive Manager Corporate Communications will be redundant.
3. That council note the consequential redistribution and alignment of functions from the Corporate Communications and the Customer Service Department to existing areas where there are natural synergies.
4. That council note that a new position of Executive Coordinator to the Mayor will be included in the 2012/13 budget.

**Council Resolution >>**

It was **MOVED** by Councillor T Roberts, **SECONDED** Councillor V Veitch:

1. "that the report/attachment be deemed a confidential document and be treated as such in accordance with sections 171 and 200 (9) of the *Local Government Act 2009* and that the document remain confidential unless council decides otherwise by resolution;
2. that council approve the amendment (shown at attachment two) to the corporate structure as at 30 June 2012 that includes:
  - a. the deletion of the Department of Corporate Communications within the Corporate Services Division;
  - b. the deletion of the Divisional Support unit within the Community and Environment Division;
  - c. the Customer Service Department title change to Communications and Customer Relations; and
  - d. the Commercial Businesses Division title change to Townsville Water and Waste Division;
3. that council note that arising from the above decision the position of Executive Manager Corporate Communications will be redundant; and
4. that council note the consequential redistribution and alignment of functions from the Corporate Communications and the Customer Service Department to existing areas where there are natural synergies."

**CARRIED**

**Close of Meeting >>**

The Chair declared the meeting closed at 2.23 pm.

**CONFIRMED this**

**day of**

**2012**

**MAYOR**

**CHIEF EXECUTIVE OFFICER**