



**MINUTES OF THE
SPECIAL MEETING OF COUNCIL
30 JUNE 2020**

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**MINUTES OF THE SPECIAL COUNCIL MEETING OF
SOUTHERN DOWNS REGIONAL COUNCIL HELD ON 30 JUNE 2020 IN THE
WARWICK TOWN HALL, PALMERIN STREET, WARWICK AT 9:01AM**

ACKNOWLEDGEMENT TO COUNTRY

1. ATTENDANCE

Present: Crs Pennisi (Chair), Bartley, Gale, Gliori, Gow, McDonald, McNally, Tancred and Windle

Officers: Jane Stroud (Acting Chief Executive Officer), Seren McKenzie (Director Infrastructure Services), Joanne Morris (Director Corporate and Community Services), Craig Magnussen (Acting Director Sustainable Development) and Marion Seymour (Minute Secretary)

2. APOLOGIES

Nil

3. DECLARATIONS OF CONFLICTS OF INTEREST

Item No	Item Precs	Nature of Conflict
4.1	Water Allocations in the Granite Belt and Emu Swamp Dam	Cr Pennisi declared a conflict of interest in this matter (as defined in section 175 Division 5A of the <i>Local Government Act 2009</i>) due to numerous complaints lodged against him in relation to his involvement in Emu Swamp Dam. Cr Pennisi is also the ex-Chair of the Stanthorpe Community Reference Panel and ex Director of Emu Swamp Dam Pty Ltd and Granite Belt Water Pty Ltd. The agenda item seeks to recommend a number of strategies in relation to Council's involvement in this project. Cr Pennisi believes his personal interest is not of sufficient significance that it will lead him to making a decision on the matter that is contrary to the public interest and that he would best perform his responsibility of serving the overall public interest of the whole of the Council area by participating in the discussion and voting on this matter. However given that there is a current investigation taking place, he will be leaving the room for the discussion and the vote.

9:04am Cr Pennisi left the meeting during discussion on conflicts of interest for Agenda Item 4.1

Cr Tancred raised the issue of his conflict of interest in Agenda item 4.1 and asked Council to move into camera to discuss personal business details of a commercial-in-confidence nature.

Meeting In Camera

Resolution

Moved Cr S Tancred

Seconded Cr A Gale

THAT the meeting move into closed session for the purpose of Cr Tancred's personal business details.

Carried

The meeting moved into closed session at 9:06am.

Meeting Out Of Camera

Resolved

THAT the meeting resume in open session at 9:19am.

Carried

Item No	Item Precs	Nature of Conflict
4.1	Water Allocations in the Granite Belt and Emu Swamp Dam	Cr Tancred declared that he believed he may have a perceived Conflict of Interest in agenda item 4.1, which is considering Water Allocations in the Granite Belt and Emu Swamp Dam for two possible reasons. Firstly, due to his previous involvement in planning and obtaining funding for Emu Swamp dam whilst a voluntary member of three community organisations, namely the Stanthorpe Community Reference Panel, the Stanthorpe and Granite Belt Chamber of Commerce and an associate member of the Granite Belt Growers Association. However he believed those prior roles would not prevent him from performing his Councillor responsibilities and serving the public interest of the region by participating in the discussions and voting on the agenda item. Secondly, Cr Tancred's part ownership of the horticultural consulting firm Orchard Services has also raised a perceived Conflict of Interest. Orchard Services has a small number of farming clients in the Granite Belt. If any of these farmer clients become irrigation water users in the Granite Belt Irrigation Project the potential benefits will be to their businesses, not to Orchard Services. If there are any indirect benefits to Orchard Services, Cr Tancred believed they would be lower than the benefit to the many other businesses in the Granite Belt providing services to farmers. For those reasons Cr Tancred believed his part ownership in Orchard Services would not prevent him from performing his Councillor responsibilities and serving the public interest of the region by participating in the discussions and voting on the agenda item. Following a resolution from Council, Cr Tancred participated in the discussion and voting on this matter.

3.1 CONFLICT OF INTEREST - CR TANCREED - AGENDA ITEM 4.1

RESOLUTION

MOVED CR C MCDONALD

SECONDED CR A GALE

THAT CR TANCREED HAS DECLARED A PERCEIVED CONFLICT OF INTEREST IN AGENDA ITEM 4.1 DUE TO HIS PREVIOUS INVOLVEMENT IN PLANNING AND OBTAINING FUNDING FOR EMU SWAMP DAM WHILST A VOLUNTARY MEMBER OF THREE COMMUNITY ORGANISATIONS, NAMELY THE STANTHORPE COMMUNITY REFERENCE PANEL, THE STANTHORPE AND GRANITE BELT CHAMBER OF COMMERCE AND AN ASSOCIATE MEMBER OF THE GRANITE BELT GROWERS ASSOCIATION. HOWEVER HE BELIEVED THOSE PRIOR ROLES WOULD NOT PREVENT HIM FROM PERFORMING HIS COUNCILLOR RESPONSIBILITIES AND SERVING THE PUBLIC INTEREST OF THE REGION BY PARTICIPATING IN THE DISCUSSIONS AND VOTING ON THE AGENDA ITEM. SECONDLY, CR TANCREED'S PART OWNERSHIP OF THE HORTICULTURAL CONSULTING FIRM ORCHARD SERVICES HAS ALSO RAISED A PERCEIVED CONFLICT OF INTEREST. ORCHARD SERVICES HAS A SMALL NUMBER OF FARMING CLIENTS IN THE GRANITE BELT. IF ANY OF THESE FARMER CLIENTS BECOME IRRIGATION WATER USERS IN THE GRANITE BELT IRRIGATION PROJECT THE POTENTIAL BENEFITS WILL BE TO THEIR BUSINESSES, NOT TO ORCHARD SERVICES. IF THERE ARE ANY INDIRECT BENEFITS TO ORCHARD SERVICES, CR TANCREED BELIEVED THEY WOULD BE LOWER THAN THE BENEFIT TO THE MANY OTHER BUSINESSES IN THE GRANITE BELT PROVIDING SERVICES TO FARMERS, AND NOTWITHSTANDING THE DECLARED PERCEIVED CONFLICT OF INTEREST, CR TANCREED MAY PARTICIPATE IN DISCUSSION ON THE MATTER AND VOTE.

CARRIED

THE DEPUTY MAYOR ACCEPTED A CALL FOR A DIVISION ON THE MOTION FROM THE FLOOR AND THE FOLLOWING VOTES WERE RECORDED:

FOR: CRS R BARTLEY, A GALE, M GLIORI AND C MCDONALD (4)

AGAINST: CRS C GOW, J MCNALLY AND S WINDLE (3)

ACCORDINGLY THE DEPUTY MAYOR DECLARED THE MOTION CARRIED.

CR TANCREED DECLARED THAT HE BELIEVED HE MAY HAVE A PERCEIVED CONFLICT OF INTEREST IN AGENDA ITEM 4.1 FOR TWO POSSIBLE REASONS. FIRSTLY, DUE TO HIS PREVIOUS INVOLVEMENT IN PLANNING AND OBTAINING FUNDING FOR EMU SWAMP DAM WHILST A VOLUNTARY MEMBER OF THREE COMMUNITY ORGANISATIONS, NAMELY THE STANTHORPE COMMUNITY REFERENCE PANEL, THE STANTHORPE AND GRANITE BELT CHAMBER OF COMMERCE AND AN ASSOCIATE MEMBER OF THE GRANITE BELT GROWERS ASSOCIATION. HOWEVER HE BELIEVED THOSE PRIOR ROLES WOULD NOT PREVENT HIM FROM PERFORMING HIS COUNCILLOR RESPONSIBILITIES AND SERVING THE PUBLIC INTEREST OF THE REGION BY PARTICIPATING IN THE DISCUSSIONS AND VOTING ON THE AGENDA ITEM. SECONDLY, CR TANCREED'S PART OWNERSHIP OF THE HORTICULTURAL CONSULTING FIRM ORCHARD SERVICES HAS ALSO RAISED A PERCEIVED CONFLICT OF INTEREST. ORCHARD SERVICES HAS A SMALL NUMBER OF FARMING CLIENTS IN THE GRANITE BELT. IF ANY OF THESE FARMER CLIENTS BECOME IRRIGATION WATER USERS IN THE GRANITE BELT IRRIGATION PROJECT THE POTENTIAL BENEFITS WILL BE TO THEIR BUSINESSES, NOT TO ORCHARD SERVICES. IF THERE ARE ANY INDIRECT BENEFITS TO ORCHARD SERVICES, CR TANCREED BELIEVED THEY WOULD BE LOWER THAN THE BENEFIT TO THE MANY OTHER BUSINESSES IN THE GRANITE BELT

PROVIDING SERVICES TO FARMERS. FOR THOSE REASONS CR TANCREDE BELIEVED HIS PART OWNERSHIP IN ORCHARD SERVICES WOULD NOT PREVENT HIM FROM PERFORMING HIS COUNCILLOR RESPONSIBILITIES AND SERVING THE PUBLIC INTEREST OF THE REGION BY PARTICIPATING IN THE DISCUSSIONS AND VOTING ON THE AGENDA ITEM. . FOLLOWING A RESOLUTION FROM COUNCIL, CR TANCREDE PARTICIPATED IN THE DISCUSSION AND VOTING ON THIS MATTER.

4. EXECUTIVE SERVICES REPORTS

4.1 Water Allocations in the Granite Belt and Emu Swamp Dam

Resolution

Moved Cr A Gale

Seconded Cr S Tancred

THAT Council:-

1. Acknowledges and commends the work undertaken to date by the Granite Belt Irrigation Project to bring the Emu Swamp Dam project to the current phase, and notes the significant benefit the project will bring to the region; and
2. Endorses the participation of senior Council officers in the project to work with the State Government and Granite Belt Irrigation Project in a co-ordinated and structured project management approach guided and led by the State Government; and
3. Notes the request from Granite Belt Irrigation Project in relation to the offer received in the letter dated 11 June 2020 which requests consideration of the following:
 - a. Purchase a volume of water in the Granite Belt Irrigation Project.
 - b. Negotiate the transfer/sale of 400ML – 450ML of un-supplemented water from Storm King Dam to the Granite Belt Irrigation Project to offset the cost of purchasing a volume of supplemented water allocation.
 - c. Negotiate the sale of 59ML of un-supplemented water allocations to the Granite Belt Irrigation Project, for inclusion in the total water aggregation for the Project.
 - d. Support the short to medium term (10-15 year) lease of the State's unallocated water for future urban supply to enable the project to aggregate sufficient entitlements for the project to commence and deliver the economic benefits to the Southern Downs, Granite Belt and Stanthorpe area such as 700 new full time jobs, a \$65 million increase in gross farm production, and improved urban water security for Stanthorpe.
4. Provides in-principle agreement to the request from Granite Belt Irrigation Project, conditional on the following parameters being fully resolved and reported back to Council for a final resolution:
 - a. Financial agreement being reached on the cost of water per ML from Council's water allocation associated with Storm King Dam, as well as the smaller allocations (where available); and
 - b. Clarification, to the satisfaction of Council, on the operating conditions of Emu Swamp Dam to ensure Southern Downs Regional Council can access town water supply when and as needed, and clear prioritisation of town water in the operations; and
 - c. Clarification provided by the State Government on expectations for water quality should the dam be associated with an urban water supply which may result in affecting changes to the dam, including but not limited to the reduction of the buffer zone to 20 metres; and
 - d. The State Government being satisfied with the proposal for the transfer of the water allocations and providing written advice to this effect; and
 - e. Outcomes of further modelling by either the State Government or Council confirming

the updated hydrologic modelling of the Emu Swamp Dam project supplied by Granite Belt Irrigation Project; and

- f. Clarification from the State Government that the water from Storm King Dam could be transferred to Emu Swamp Dam as town water supply, and that the water can be temporarily sold or leased when not required by Council.
5. Notes and commits to collaboratively working with both the State Government (who will make the decision) and the proponents to finalise a further report to Council on any transfer of the water allocations.
6. Ensures any further financial contributions be put to a future report for consideration, as Council does not currently have any allocation budgeted for any aspect of the offer from Granite Belt Irrigation Project.
7. Forms a delegation consisting of Deputy Mayor Bartley, Councillor Tancred, and relevant senior officers to discuss with the State Government support in the form of funding of the purchase of a water allocation up to 450 ML for water security for Stanthorpe in the Emu Swamp Dam project.

Carried

The Deputy Mayor accepted a call for a Division on the motion from the floor and the following votes were recorded:

For: Crs R Bartley, A Gale, C McDonald and S Tancred (4)

Against: Crs M Gliori, C Gow, J McNally and S Windle (4)

Accordingly the Deputy Mayor used his casting vote and declared the motion carried.

The meeting adjourned at 10:14am and reconvened at 10:36am at which time there were present Crs Pennisi, Bartley, Gale, Gliori, Gow, McDonald, McNally, Tancred and Windle

5.1.1 Policies Review - Amendment

Resolution

Moved Cr R Bartley

Seconded Cr S Windle

THAT Council approve the removal of the words “*subject to obtaining formal approval from the Crime and Corruption Commission regarding the proposed amendments*” from item 1 of the recommendation for Agenda Item 5.1 due to formal approval having already been obtained from the Commission.

Carried

5. CORPORATE SERVICES REPORTS

5.1 Policies Review

Resolution

Moved Cr S Windle

Seconded Cr A Gale

THAT Council adopt the following policies:

1. Complaints About a Public Official (Chief Executive Officer) - Section 48A of the *Crime and Corruption Act 2001* Policy;
2. Related Party Disclosure Policy; and
3. Advertising Expenditure Policy.

Carried

Attachments

1. PL-GV087 Complaints About a Public Official (Chief Executive Officer) - Section 48A of the Crime and Corruption Act 2001 - **Attached to the Minutes Under Separate Cover**
2. PL-FS025 Related Party Disclosure Policy - **Attached to the Minutes Under Separate Cover**
3. PL-GV012 Advertising Expenditure Policy - **Attached to the Minutes Under Separate Cover**

6. CONSIDERATION OF CONFIDENTIAL BUSINESS ITEMS

In accordance with the provisions of Section 275(1) of the *Local Government Regulation 2012*, a local government may resolve to close a meeting to the public and move 'into Committee' to discuss confidential items, such that its Councillors or members consider it necessary to close the meeting.

Recommendation

THAT the meeting be closed to the public and move into committee to discuss the following items, which are considered confidential in accordance with Section 275(1) of the *Local Government Regulation 2012*, which permits the meeting to be closed to the public for business relating to the following, as indicated:

6.1 Land Proposals, Stanthorpe

Reason for Confidentiality

This item is considered confidential in accordance with section 275(1)(e) of the *Local Government Regulation 2012*, as it contains information relating to contracts proposed to be made by Southern Downs Regional Council.

6.2 Toowoomba to Warwick Pipeline Update

Reason for Confidentiality

This item is considered confidential in accordance with section 275(1)(h) of the *Local Government Regulation 2012*, as it contains information relating to 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.

Meeting In Camera

Resolution

Moved Cr C Gow

Seconded Cr M Gliori

THAT the meeting move into closed session for the purpose of discussing contracts and other issues.

Carried

The meeting moved into closed session at 10:44am.

Meeting Out Of Camera

Resolved

THAT the meeting resume in open session at 11:12am.

Carried

6.1 Land Proposals, Stanthorpe

Resolution

Moved Cr C Gow

Seconded Cr R Bartley

THAT following consideration of proposals from Granite Belt Drought Assist Group Inc, Granite Belt Water Relief and a community member, Council:

1. Accept the offer received for the sale of Lot 85 on Survey Plan 176034 situated at 5 Short Street, Stanthorpe, subject to Council obtaining Planning Approval for residential use of the land and the purchaser obtaining finance.
2. Acknowledge the proposal from Granite Belt Drought Assist Group Inc. to occupy 5 Short Street, Stanthorpe, however advise that due to the pending sale of the land, offer the Granite Belt Drought Assist Group Inc. a two year trustee permit over part of 11 Storm King Drive, Storm King Dam, described as Lot 250 on BNT 1599, in accordance with *Local Government Regulation 2012*, whilst adhering to the relevant provisions of Council's *Lease Policy and special conditions*, the *Land Title Practice Manual* and the *Land Act 1994* and subject to obtaining approval from the Department of Natural Resources, Mines and Energy.
3. Acknowledge the proposal from Granite Belt Water Relief to occupy 5 Short Street, Stanthorpe, however advise that due to the pending sale of the land, offer to work with members of Granite Belt Water Relief to find another suitable location for their operations.

Carried

6.2 Toowoomba to Warwick Pipeline Update

Resolution

Moved Cr S Tancred

Seconded Cr C Gow

THAT Council:

1. Acknowledges and thanks the State Government for their generosity in the offer for the construction of the proposed pipeline from Toowoomba to Warwick to supply the region with water security; and
2. Endorses a peer review to be undertaken of the Toowoomba to Warwick Pipeline Feasibility Report once it is finalised; and
3. Advises the State Government of the following essential elements that are non-negotiable to Southern Downs Regional Council regarding the Toowoomba to Warwick pipeline project:
 - i. The final cost of the project, both capital and ongoing operations and maintenance now and into the future, must be affordable to the ratepayers of the Southern Downs Regional Council and not result in a high financial impact on the community.
 - ii. Ongoing support through resourcing of further water security projects within the region to minimise the reliance on the proposed pipeline, including ensuring Stanthorpe has a higher independence from the Warwick area so that the reliance on carting of water is minimised.
 - iii. Coordinated strategic work on a long term water solution for the Southern Downs Regional Council and surrounding Local Government areas.
4. Consider a further report for adoption for the final Toowoomba to Warwick Pipeline proposal, inclusive of all costs of the project.

Carried

MEETING CLOSURE

There being no further business, the meeting closed at 11:18am.