



District Council of Coober Pedy

Minutes of the District Council of Coober Pedy ordinary meeting held Tuesday 22nd January 2019 in the Council Chambers situated at Hutchison Street, Coober Pedy

1 Opening

Mayor, Les Hoad welcomed Councillors, staff and members of the public and declared the meeting open at 7.00 pm.

Mayor, Les Hoad acknowledged and honoured the thousands of years of indigenous heritage in this area and their contribution to our community.

2. ATTENDANCE RECORD

Present Mayor Les Hoad

Councillors Cr D Roffey , Cr B Rapaic, Cr N Brellas,
Cr N Mitchell, Cr G Naumovic, Cr C Adamo,
and Cr K Hay

In Attendance C Pitman, Acting CEO and Water Manager
D Hope, Financial Consultant
R Kumaran, Finance Manager
S Reynolds, Community Services Manager
R Phillips, Works Manager
M Grava, Electricity Manager
J Kowald, Breakaways Natural Resources Officer
J Williams, Executive Assistant

Apologies Nil

3 Conflict of Interest

Elected Members were invited to declare any pecuniary and or beneficial interest in any matters to be considered during the meeting.

4 Public Forum – 7.01 pm

Mr John Dunstan addressed Council in relation to the Coober Pedy Miners Association's historic and current contribution to the Coober Pedy Community.

Mr Justin Freytag addressed Council on a Question on Notice in the Agenda.

7.20 pm Public Forum closed.

5 Delegations - Nil

6 Minutes

- 6.1 Ordinary Council Meeting held 16th October 2018**
- Special Council Meeting held 6th November 2018**
- Special Council Meeting held 20th November 2018**
- Ordinary Council Meeting held 18th December 2018**

Moved: Cr K Hay

Seconded: Cr C Adamo

C20190101

That the minutes of the Ordinary Council Meeting held 16th October 2018, Special Council Meeting held 6th November 2018, Special Council Meeting held 20th November 2018 and the Ordinary Council Meeting held 18th December 2018 be adopted as true and accurate records of those meetings.

CARRIED

Cr G Naumovic called for a division:

The Presiding Member declared the vote set aside

Members voting in the affirmative: Cr D Roffey, Cr K Hay, Cr C Adamo, and Cr B Rapaic

Members voting in the negative: Cr G Naumovic, Cr N Brellas and Cr N Mitchell

The Presiding Member declared the motion Carried.

6.2 Business Arising – Nil

6.3 Previous Resolutions Progress

6.4 Matters Laying on the Table - Nil

6.5 Items Deferred - Nil

7 Reports

7.1 Works Department Report for the month of December 2018

Received and Noted

7.2 Correspondence Received – Roads to Recovery allocation for 2019-20 to 2023-24

Received and Noted

7.3 Electricity Department Report for the month of December 2018

Received and Noted

7.4 Water Department Report for the month of December 2018

Received and Noted

7.5 Water Consumption Report for the month of December 2018

Received and Noted

7.6 Community Services Report

Moved: Cr G Naumovic

Seconded: Cr C Adamo

C20190102

That Council agrees to include the half season prices of Family - \$110, Adult - \$55, Child –\$36 & Toddler \$18 in the fees and charges schedule.

CARRIED

7.7 Keeping the Community Informed

Received and Noted

7.8 Environmental Health Officer Report

Received and Noted

7.9 Kanku – Breakaways Conservation Park

Moved: Cr C Adamo

Seconded: Cr N Brellas

C20190103

That Council accepts the report as presented on the Kanku – Breakaways Conservation Park.

CARRIED

7.10 Councillor Report to Council

Received and Noted

7.11 Finance Report

Received and Noted

8 Other Business

Moved: Cr G Naumovic

Seconded: Cr K Hay

C20190104

That Item 8 be deferred until the last Item of the meeting.

CARRIED

9 Petitions - Nil

10 Questions on Notice

Received from: Cr Boro Rapaic
Received on: 20th December 2018

Could the CEO supply all councillors with complaints made by George Naumovic against council before he became councillor ad at what cost to ratepayers and how many complaints were upheld.

Answer

\$58,000.00. All details will be provided in writing when available.

Received from: Cr George Naumovic
Received on: 7th January 2019

Questions on Notice regarding the District Council of Coober Pedy's Agenda of 18 December 2018

Tiger Park – Agenda Item 7.3

- That the Council provide all correspondence referred to in Rodney Phillip's report entitled "*The Supply of Tiger Park material Stuart Range Outback Resort*". Namely, the 4 May 2018 letter from Scott Marshall to the Council, the Council's response, and the Mines Departments response to same.
- That the Council provide a list of what "*remaining works*" were to be undertaken.
- That the Council provide a complete list of all works that were undertaken.
- That the Council provide a list of the expenses incurred by the Stuart Range Outback Resort in relation to these works (including the invoices)
- Why were these works were omitted from the Works Manager's previous March 2018 and April 2018 Works Reports.

Answer

Refer to attachment A

Judicial Review – Agenda Item 7.14

- That the Council provide a cost estimate of challenging the Judicial Review proceedings and their prospects of succeeding.
- That the Council consider what the downside, if any, there would be if it decided not to challenge the Judicial Review proceedings.

Answer

A cost estimate cannot be provided.

Legal advice on this matter was provided to council under Section 90 of the LG Act. If Members wish to view the advice a Section 90 meeting will be held.

Truck Bay – Agenda Item 7.17 (should be 7.16)

- That the Council provide the advice received by the Crown Lands Department.

Answer

Refer to attachment B

Auditor General's Report

The Auditor General found that the RAES subsidy was being used to subsidise substantial amount of the CEO and Finance Managers Salaries. Is this still happening? If not when did it cease?

Answer

The RAES subsidy is offset against the electricity expenditure budget a portion of which relates to the overheads of the electricity function of which a portion of the CEO and finance managers costs are apportioned. That is a required expenditure under the ESCOSA licence agreement where all costs are allocated against electricity power production. This year \$1.1 mill will be taken off the RAES subsidy so that income will not be received and this amount exceeds the overheads of the electricity business.

Received from: Cr George Naumovic
Received on: 8th January 2019

1) High levels of chlorine in the drinking water.

The level of chlorination in the drinking water still seems to be higher than expected. The fact that the water is desalinated water one would expect no contamination leaving the treatment site hence the need for disinfection and hence level of concentration should be minimal less than 1 part per million.

What are the dosing levels of chlorine concentration being experienced in the drinking water, why so high and what is being done to rectify the problem?

Answer

The levels of chlorine are not high and are 25% to 50% of the levels mentioned in the question. The adjustments to levels are made on the basis of Colony Count of coliforms and EColi count from testing All ecoli values must be zero

2) Pipe bursts

We seem to be getting a high number of pipe bursts. Also pipe pressures seem to have increased. **Have we had consultants assess the system to determine what the issues are and what upgrades are recommended? If so please refer us to where this report is published.**

Answer

The pipe pressure was reduced from 530 kpa to 510 kpa approx. 9 months ago and has been kept at that pressure

We are getting a high number of bursts in pipes of a very high pressure rating pipes. The failure relates to age of pipes, poor laying technique and sun scorching prior to laying. The frequency of failure is generally higher in summer. The council have been presented with reports on the need to spend on renewal over \$2.00 mill on poly pipe and upvc systems and provide booster pumps to reduce the pressure in the network below the 20m lift level as part of the asset

management plan. Council staff have applied for three grant sources over the last 12 months. None have been successful.

3) Sewage treatment plant

I believe consultants were engaged at the beginning of last year to do a quick assessment of the sewerage system.

- a) **What was the outcome of that assessment?**
- b) **Does the final treated effluent quality meet Dept health & Aging required limits?**
- c) **What were last year's quarterly effluent test results?**
- d) I believe the consultants BC Tonkin have undergone an in-depth assessment of the system also. **Is the final report available?**

Answer

- a) their report highlighted the following key issues
 1. A need to replace the gas chlorine dosing to liquid (in progress)
 2. A need to convert the Mono pumps to centrifugal . (currently maintaining the existing pumps)
 3. Replace the diffusers (partially under construction)
 4. Replace the Aerator (complete after repair of old gearbox)
- b) The effluent does meet the dept of health standards. The test results are attached in attachment C. Please note the third quarter test was not called for. The fourth quarter test was taken after a quill failure and effluent was diverted to the sludge ponds until repaired .
- e) the Tonkin report is a design report and the report is not completed as further survey work and design work is required.
We are awaiting advice on the extent of the further survey work before the design is completed .

4.) Requests for funds from community coffers

If the Miner's Association (for eg) wants money from community coffers then shouldn't those applicants provide independent audits of their books in order to justify any claim, and include how those funds were dispersed in the past, and with a specified reporting period for the future, as is the practice at other levels of Government when granting public monies to groups?

- a) **What has been the practice to date? Is there a policy?**

Answer

The practise to date has been variable. Grants are generally made to incorporated bodies. On some occasions council have asked for the financial statement to be presented but by exception only. There is no policy

5.) Support for Public Officer complaints

Given that all employees of local government; elected members, including the Mayor, Councillors, the Chief Executive, all inside and outside employees are public officers under the ICAC Act then what instruments are in place (including training) to support and protect whistle-blowers reporting suspected corruption to ICAC?

Is this obligation and requirement by ICAC reflected in all employee job descriptions and contracts?

Answer

Employment contracts require ethical behaviour where employment contracts exist and compliance with the law. In general the field staff contractual arrangements are required through the Enterprise Bargaining provisions where compliance with all laws (at least 30) are required .

6) Employment

Does or has Council received any subsidies in any way, shape or form for employing staff?

Answer

Subsidies are provided for following and go in part to funding salaries;

- a) mini gems subsidy
- b) apprenticeship subsidy (electricity)
- c) MUNS grant
- d) Child and parenting program (three components)
- e) Swimming Pool
Breakaways

Received from: Cr Neville Mitchell

Received on: 9th January 2019

Is the Mayor making any significant moves to communicate, liaise and work with the relevant Ministers and Govt. entities during this period of our "current dire financial situation?

Answer from Mayor Les Hoad

As the mayor I have sought to meet with the minister of local government before Christmas and was unsuccessful.

I have not received any further instructions from the council to advance other meetings with the minister.

The council through myself have written to the minister in response to the ICAC report and independently sought an audience with him to discuss council issues.

Received from: Cr Neville Mitchell
Received on: 9th January 2019

Did Cllr Naumovic send a letter to Cllr Rapaic calling him a mouth? And why?

Answer

Not for Administration to answer.

Received from: Cr Neville Mitchell
Received on: 9th January 2019

Can the part sentence "challenging and difficult decisions by the council" in David Hope's report of 18.12.2018 be clarified?

Answer:

"The development of a Long-Term Financial Plan for the District Council of Coober Pedy requires 'challenging and difficult decisions by the Council'.

The decisions are 'challenging' in the context of the financial situation that the Council faces. This includes:

- Many years of operating deficits which have run down Council's financial resources;
- Unrestrained and sometimes unapproved borrowings which have increased the Council's finance costs;
- Unrestrained and sometimes unapproved borrowings which have exhausted the Council's ability to raise funds through borrowing;
- Failure to charge service charges and user charges for water, sewerage and airport operations that recover the full cost of providing those services, placing further strain on the Council's limited financial resources with rates and other funding sources subsidising those operations. This includes REDUCING water charges even as the cost of providing water was increasing.
- A number of budgets being approved by previous Council's without the context of a long term financial plan which resulted in inappropriate decisions on revenues and expenditures.
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The decisions are 'difficult' because the Council faces competing demands for its limited resources. The Council is responsible for the welfare of the community and it has a responsibility to each of its employees. Critically, there may be decisions required to reduce or eliminate services and this may lead to community dissatisfaction and staff reductions. Whatever resourcing decisions Council makes it has a payroll to meet every fortnight and creditors to pay every month."

Received from: Cr George Naumovic
Received on: 10th January 2019

- 1) Is council or any of its insurance arms of the DCCP paying in any way, shape or form whether directly or indirectly any legal; fees associated

with the judicial review for the former Acting Mayor / Councillor Athanasiadis

Answer

As the relevant authority under the Development Act 1993 for the purposes of making the decision to grant Development Plan Consent (and other relevant decisions) for the proposed redevelopment of the Stuart Range Outback Resort the council is the first defendant in the judicial review proceedings. Entities associated with the former acting Mayor and Stuart Range outback resort are the second and third defendants

Council are not funding directly or indirectly the second defendants (Athanasiadis) legal fees in respect to these review proceedings The council has engaged legal representation and is funding the defence of the action in its capacity as the First Defendant based on a resolution by the council .

- 2) Is council or any insurance arms of the DCCP paying in any way shape or form whether directly or indirectly any legal fees for any action that former councillor Freytag and former Mayor/ Councillor Athanasiadis have brought against the Coober Pedy Regional times and its Editor Margaret Mackay and others.

Answer

No payments to our knowledge have been authorised for any of the actions as they are not related to council .

- 3) How much legal fees has been spent on what law firms were engaged by the former council regarding the EDL deal from the period of CEO Hogans employment commencing in about August 2016 until the swearing in of the new council in Nov 2018.

Answer

Approx. \$180000 to Griffins Solicitors. An amount of \$163,806 was paid to Resourceful Advisory. We have no knowledge of advice from others

Received from: Cr George Naumovic
Received on: 14th January 2019

1. Andy Evans from Resourceful Advisory was engaged by Council. What services did he provide and how much did Council pay him?

Answer

A summary of the services provided by resourceful advisory and the cost is attachment D.

2. Graham Davies from Resonant Solutions was engaged by Council. What services did he provide and how much did Council pay him?

Answer

A summary of the services provided resonant solutions and the cost is attachment E

3. Can the CEO and Finance Department supply to Councillors a breakdown of all external Consultancy fees and expenses since Former CEO Fiona Hogan was employed?

Answer

This matter is still being investigated.

4. When was authority given to the previous CEO by previous Council to engage Lawyers to defend Council's actions in signing the PPA?

Answer

The authority is contained in the confidential minutes of the council on the 24th October 2017

11 Questions Without Notice

12 Motions on Notice

Moved: Cr G Naumovic

Seconded: Cr N Brellas

C20190105

So as to comply with the Auditor General's Report the District Council of Coober Pedy instruct the Mayor and the CEO to engage with the LGA and commence the recruitment process for a suitably qualified CEO as identified by the Auditor General.

MOTION LOST

Moved: Cr G Naumovic

Seconded: Cr N Brellas

C20190106

That the CEO provide to the Council a list of all delegations currently in place and that in the meantime all delegations be suspended and brought back to the Council for review .

MOTION LOST

13 Motions Without Notice

Moved: Cr N Brellas

Seconded: Cr C Adamo

C20190107

That the Administration prepare a draft Lease or licence agreement with the Drive-In Incorporated body and consult with the body and the Crown and report back to Council.

CARRIED

Moved: Cr B Rapaic

Seconded: Cr N Mitchel

C20190107

That Councillors receive a monthly report of monies coming in and going out listed by categories and reconciled with the bank statement.

CARRIED

14 Committee Minutes - Nil

15 Delegates Reports - Nil

**16 Next Meeting – 19th February 2019
Closure – 9.38 pm.**