



Colac Otway  
SHIRE

**UNSCHEDULED COUNCIL MEETING**

**MINUTES**

**Wednesday 1 February 2023**

**at 3:30 PM**

**COPACC**

**95 - 97 Gellibrand Street, Colac**



# COLAC OTWAY SHIRE UNSCHEDULED COUNCIL MEETING

Wednesday 1 February 2023

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## COLAC OTWAY SHIRE UNSCHEDULED COUNCIL MEETING

MINUTES of the *UNSCHEDULED COUNCIL MEETING OF THE COLAC OTWAY SHIRE COUNCIL* held at  
COPACC on Wednesday 1 February 2023 at 3:30 PM.

### MINUTES

#### **1 DECLARATION OF OPENING**

##### **OPENING PRAYER**

*Almighty God, we seek your  
blessing and guidance in our  
deliberations on behalf of the  
people of the Colac Otway Shire.  
Enable this Council's decisions to be  
those that contribute to the true  
welfare and betterment of our community.*

AMEN

#### **2 PRESENT**

Cr Chris Potter (Mayor)  
Cr Graham Costin  
Cr Tosh-Jake Finnigan  
Cr Kate Hanson  
Cr Stephen Hart  
Cr Margaret White

Anne Howard, Chief Executive Officer  
Andrew Tenni, General Manager Corporate Services  
Heath Chasemore, General Manager Infrastructure and Operations  
Ian Seuren, General Manager Community and Economy  
Marlo Emmitt, Manager Governance and Communications  
Lyndal McLean, Coordinator Council Business

#### **3 APOLOGIES AND LEAVE OF ABSENCE**

Nil

#### **4 WELCOME AND ACKNOWLEDGEMENT OF COUNTRY**

Colac Otway Shire acknowledges the original custodians and law makers of this land, their elders past, present and emerging and welcomes any descendants here today.

## RECORDING AND PUBLICATION OF MEETINGS

Please note: Council meetings are live streamed and recorded when the meeting is held either at COPACC or online. This includes the public participation sections of the meetings. When meetings are held in other locations, Council will endeavour to make an audio recording of the meeting for community access. Matters identified as confidential items in the Agenda will not be live streamed or recorded regardless of venue or mode.

By participating in open Council meetings, individuals consent to the use and disclosure of the information they share at the meeting (including any personal and/or sensitive information).

As soon as practicable following each open Council meeting, the live stream recording will be accessible on Council's website. Audio recordings are also taken to facilitate the preparation of the minutes of open Council meetings and to ensure their accuracy. Recordings will be retained by Council for a period of four years.

This meeting was livestreamed to the public via Council's YouTube channel (search Colac Otway Shire Council at [www.youtube.com](http://www.youtube.com)).

Extraordinary circumstances prevented Council from giving public notice at least seven days before this unscheduled meeting due to the meeting only being called on 25 January 2023.

The sole purpose of this Unscheduled Council meeting is to consider the following agenda item:

- Lake Colac Holiday Park Fees and Charges.

## 5 QUESTION TIME

At Unscheduled Council meetings, only questions pertaining to the agenda will be responded to. A maximum of 15 minutes is allowed for question time at Unscheduled Council meetings. Questions that are more general in nature can either be submitted to Council in writing or asked at the next scheduled Council Meeting.

### QUESTIONS RECEIVED IN WRITING PRIOR TO THE MEETING

#### Jason Schram

1. How is it that staff can enter into a lease regardless of its length for the Colac Caravan Park without presenting the lease to Council for approval as per point 6 in the July 27th 2022 resolution?

**"Authorises officers to evaluate submissions to the Expression of Interest and enter negotiations with preferred proponent/s before presenting a final lease to Council for approval in accordance with the provisions of the Local Government Act 2020."**

2. Why would Council set fees and charges until December 2023 and not until the adoption of the new 2023-24 budget when this process would set new fees and charges from around July 1 2023 to June 30 2024?
3. Why, when the failed tender process concluded and failed to have an applicant, did council not run an open expression of interest or request for quotes to manage the park under a short term

lease and the other arrangement until June 30 2023? And how can Council appoint a manager without a public process? Remembering the failed tender closed in September allowing for ample time to sort things out via a proper process and before the old lease expired.

4. As it is a public asset what is the value of the short-term lease? I.e. How much money does the ratepayer receive into the Council coffers for the 30-day lease?
5. What are the terms of the intended takeover of the management from BalgraviaPro from the 25 February 2023 until 30 June 2023?
  - a. Is it at a cost to the ratepayer to pay this company a monthly fee to manage the park on Councils behalf?
  - b. Were any other companies or individuals allowed to apply for the management of the park? I.e. was it a competitive process or a secret deal done behind closed doors?
  - c. Will Council upgrade the amenities as per the terms of the tender or will BalgraviaPro as per the tenders new lease conditions?
6. Will Council acknowledge that putting unrealistic terms and medalling in private enterprise like 100% green energy and building five (5) cabins for essential workers etc. into the tender process contributed to the failure to have an applicant in the process causing an immense cost to the ratepayer and tourism for the area?

*Response from General Manager Community and Economy*

The Expressions of Interest (EOI) process approved by Council in July 2022 sought to establish a long-term lease for the caravan park. This long-term lease would have been determined by Council through formal resolution as per its decision at the July 2022 meeting.

The EOI process did not lead to the desired outcome of a long-term lease and therefore Council is still to work through establishing the longer-term arrangements. It is our view that the current short-term lease is not contradictory to the resolution of Council at its July 2022 meeting.

Councillors were briefed at the conclusion of the EOI invitation period and were clear about the importance of the park operating until a long-term arrangement is established. Councillors supported officers to investigate short-term options to achieve this including but not limited to having a management agreement with an appropriate service provider or in-house management of the park.

In recognition of the importance of the park to the local economy, interim arrangements have been established including a 30-day lease. The CEO exercised their delegation to establish this lease following communication with the Councillors. We also want to acknowledge the support of the Victorian Government's Crown land team who went above and beyond to assist Council by approving the short term lease quickly, a recognition that they also value the importance of the continued operation of the caravan park to the community.

Officers spoke to a number of providers and assessed in-house delivery before entering into the arrangements with BelgraviaPro. These arrangements fall within Council's Procurement policies and didn't require a separate market test. Additionally, there has been great transparency for the community and the market through the 2022 reports to Council and the subsequent EOI process.

It is not appropriate for Council to publically discuss the details of the commercial arrangements with BelgraviaPRO. The financial result of these arrangements will be greatly dependent on occupancy rates and in turn, income, which is why officers are requesting Council to set fees at today's meeting.

Fees and charges need to be set for a period sufficiently into the future to enable forward bookings, however this does not indicate any pre-determined future management model at this time. With respect to Council's 2023-24 budget, this is expected to be adopted in the last week of June, which is far too late to support future bookings at the park.

With respect to the EOI terms such as power, cabins etc. these are consistent with Council's strategic direction. The feedback from parties who engaged with Council through the EOI process didn't state that these terms were considered unreasonable or impacted their interest.

We understand there is strong interest in the community about the future of the Lake Colac Holiday Park. Further work is required to achieve a long term outcome that will deliver the important benefits to Council and the community. Until this is achieved, these short term arrangements provide a positive outcome for the region because the caravan park will be available for the current permanent residents and visitors to Colac, particularly with the upcoming major sporting events in February and March, along with the Easter holiday period, which attract many people to Colac.

#### **QUESTIONS RECEIVED VERBALLY AT THE MEETING**

##### **Jason Schram**

- 1. Would Council consider upgrading the amenities themselves if it is so urgently required, considering the managers of the land down there?**

##### ***Response from General Manager Community and Economy***

That is one of the considerations that we will be talking to Councillors about in the next couple of weeks regarding this issue.

- 2. Would Council consider just running it under its management agreement for the near future and consider a possibility of not having a caravan park there anymore and having a convention centre, motel, restaurant, plans drawn up, fully funded, so that they can sell it to investors to take over? Like on a 99-year lease and provide a water sports club, much needed accommodation, and a Convention Centre, in an absolutely fantastic spot. Would Council consider that or consider doing some public consultation on the future use of the park before they enter into any future long-term leases?**

##### ***Response from Chief Executive Officer***

Firstly, I would like to acknowledge the visionary aspirations that Mr Schram has for that site because clearly it is just a beautiful location and has a lot to offer, we understand. However, the use of the land is significantly constrained by the underlying Crown Land constraints and we know that there have been conversations over time with representatives from State Government around the Crown Land use that will probably rule out a number of those things that you just mentioned.

We will continue to make sure that we promote to the Crown Land managers in State Government that we want to see the best outcome possible for the land, but I think that some of those are going to be ruled.

**6 DECLARATIONS OF INTEREST**

Nil

Item: 7.1

## Lake Colac Holiday Park Fees and Charges

OFFICER	James Myatt
GENERAL MANAGER	Ian Seuren
DIVISION	Community and Economy
ATTACHMENTS	Nil

### RECOMMENDATION

*That Council:*

1. Resolves the following short stay fees and charges are to be applied to the Lake Colac Holiday Park from 25 February 2023 until 31 December 2023, noting prices are based on two persons per site:

Tariff	Unpowered	Powered
Off-peak season, per night	\$25	\$45
Peak season, per night	\$30	\$50
Extra adult, per night	\$10	\$10
Extra child, per night	\$5	\$5

2. Resolves the following long term tenant fees and charges are to be applied to the Lake Colac Holiday Park from 25 February 2023 until 31 December 2023:
  - a. \$200 per week.
  - b. The weekly fee currently paid by individual long-term tenants prior to 25 February 2023 will be charged until the end of any required notice period to enable the \$200 per week fee to be implemented.
3. Notes for the purpose of applying the fees and charges, peak season for 2023 is considered to be:
  - a. Australia Day including weekend: 26 – 30 January 2023.
  - b. March long weekend: 10 – 12 March 2023.



- c. *Easter school holidays: 7 – 25 April 2023.*
  - d. *June long weekend: 9 – 12 June 2023.*
  - e. *June school holidays: 23 June – 9 July 2023.*
  - f. *September school holidays: 15 September – 1 October 2023.*
  - g. *Melbourne Cup weekend: 3 – 7 November 2023.*
  - h. *Christmas school holidays: 21 December 2023 – 28 January 2024.*
4. *Notes that the future management arrangements for the Lake Colac Holiday Park will be scheduled for discussion with Councillors at an upcoming briefing session to enable options beyond 1 July 2023 to be discussed.*

## MOTION

*MOVED Cr Margaret White, SECONDED Cr Kate Hanson*

*That Council:*

1. *Resolves the following short stay fees and charges are to be applied to the Lake Colac Holiday Park from 25 February 2023 until 31 December 2023, noting prices are based on two persons per site:*

<i>Tariff</i>	<i>Unpowered</i>	<i>Powered</i>
<i>Off-peak season, per night</i>	<i>\$25</i>	<i>\$45</i>
<i>Peak season, per night</i>	<i>\$30</i>	<i>\$50</i>
<i>Extra adult, per night</i>	<i>\$10</i>	<i>\$10</i>
<i>Extra child, per night</i>	<i>\$5</i>	<i>\$5</i>

2. *Resolves the following long term tenant fees and charges are to be applied to the Lake Colac Holiday Park from 25 February 2023 until 31 December 2023:*
- a. *Maximum of \$200 per week, or*
  - b. *The weekly fee currently paid by individual long-term tenants prior to 25 February 2023 will be charged until 30 June 2023, where the current fee is less than \$200 per week, after which the \$200 per week fee to be implemented.*
3. *Notes for the purpose of applying the fees and charges, peak season for 2023 is considered to be:*
- a. *Australia Day including weekend: 26 – 30 January 2023.*
  - b. *March long weekend: 10 – 12 March 2023.*
  - c. *Easter school holidays: 7 – 25 April 2023.*
  - d. *June long weekend: 9 – 12 June 2023.*
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  - f. *September school holidays: 15 September – 1 October 2023.*
  - g. *Melbourne Cup weekend: 3 – 7 November 2023.*
  - h. *Christmas school holidays: 21 December 2023 – 28 January 2024.*

4. Notes that the future management arrangements for the Lake Colac Holiday Park will be scheduled for discussion at a February 2023 briefing session with Councillors to enable options beyond 1 July 2023 to be discussed.

## AMENDMENT

*MOVED Cr Tosh-Jake Finnigan, SECONDED Cr Graham Costin*

*To add an additional point to read:*

*Resolves that no further short-term lease or management agreement for the Lake Colac Holiday Park beyond 30 June 2023 be entered into with a commercial operator without the express approval of the Colac Otway Shire Council.*

*CARRIED 4 : 2*

*DIVISION*

*For the motion: Cr Tosh-Jake Finnigan, Cr Stephen Hart, Cr Graham Costin, Cr Chris Potter*

*Against the motion: Cr Kate Hanson, Cr Margaret White*

*The Substantive Motion (as detailed below) was put to the vote.*

## RESOLUTION

*That Council:*

1. *Resolves the following short stay fees and charges are to be applied to the Lake Colac Holiday Park from 25 February 2023 until 31 December 2023, noting prices are based on two persons per site:*

<i>Tariff</i>	<i>Unpowered</i>	<i>Powered</i>
<i>Off-peak season, per night</i>	<i>\$25</i>	<i>\$45</i>
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2. *Resolves the following long term tenant fees and charges are to be applied to the Lake Colac Holiday Park from 25 February 2023 until 31 December 2023:*
  - a. *Maximum of \$200 per week, or*
  - b. *The weekly fee currently paid by individual long-term tenants prior to 25 February 2023 will be charged until 30 June 2023, where the current fee is less than \$200 per week, after which the \$200 per week fee to be implemented.*
3. *Notes for the purpose of applying the fees and charges, peak season for 2023 is considered to be:*

- a. *Australia Day including weekend: 26 – 30 January 2023.*
  - b. *March long weekend: 10 – 12 March 2023.*
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  - g. *Melbourne Cup weekend: 3 – 7 November 2023.*
  - h. *Christmas school holidays: 21 December 2023 – 28 January 2024.*
4. *Notes that the future management arrangements for the Lake Colac Holiday Park will be scheduled for discussion at a February 2023 briefing session with Councillors to enable options beyond 1 July 2023 to be discussed.*
5. *Resolves that no further short-term lease or management agreement for the Lake Colac Holiday Park beyond 30 June 2023 be entered into with a commercial operator without the express approval of the Colac Otway Shire Council.*

**CARRIED 6 : 0**

*The meeting was declared closed at 4.07pm*

**CONFIRMED AND SIGNED** at the meeting held on 22 February 2023.



.....MAYOR