



Colac Otway
SHIRE

UNSCHEDULED COUNCIL MEETING

MINUTES

Wednesday 10 April 2024

at 4:00 PM

COPACC

95 - 97 Gellibrand Street, Colac



COLAC OTWAY SHIRE UNSCHEDULED COUNCIL MEETING

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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 10 April 2024 at 4:00 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 Margaret White (Mayor)
Cr Max Arnott
Cr Graham Costin
Cr Tosh-Jake Finnigan
Cr Kate Hanson
Cr Stephen Hart
Cr Chris Potter

Anne Howard, Chief Executive Officer
Andrew Tenni, General Manager Corporate Services
Doug McNeill, Acting General Manager Infrastructure and Operations
Ian Seuren, General Manager Community and Economy
Kendrea Pope, Senior Governance Advisor
Di Cornish, Council Business Officer

3 APOLOGIES

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 will be 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 endeavor 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 will be livestreamed to the public via Council's YouTube channel (search Colac Otway Shire Council at www.youtube.com).

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

- Bluewater Electrification Funding Opportunity.

5 QUESTION TIME

A maximum of 30 minutes is allowed for question time. At every Special Council Meeting a public question time will be held to enable any member of the public to question Council but only on items directly related to the agenda today (Clause 100). Questions that are more general in nature can either be submitted to Council in writing or asked at the next Ordinary Council Meeting.

To ensure that each member of the gallery has the opportunity to ask questions, it may be necessary to allow a maximum of two questions from each person in the first instance. Once everyone has had an opportunity to ask their initial questions, and if time permits, the Mayor will invite further questions.

Please remember, you must ask a question. If you do not ask a question, you will be asked to sit down and the next person will be invited to ask a question. Question time is not a forum for public debate or statements.

QUESTIONS RECEIVED IN WRITING PRIOR TO THE MEETING

James Judd

1. **As it has been admitted by Council that the solar panels at Bluewater are unable to produce enough electric power for the current needs at Bluewater. Before the Colac Otway Shire Council goes for electrification funding for Bluewater is the Council able to guarantee that enough electricity will be deliverable to enable the electric operations of the heaters to continue uninterrupted? As a Council officer has already claimed the cost of the changeover will be very high, plus the payback period due to savings will take a number of decades or years to be recouped.**

Response from General Manager Community and Economy

In the preparation of the Bluewater Leisure Centre Heat Pump Concept Report, it was confirmed that the network has the capacity to provide for the needs of the centre if electric heat pumps were installed.

2. **Before the Colac Otway Shire Council ever considers giving authority to change the Bluewater to operate on electricity. Will the Council have a very serious look into if the current electric circuits will need to be upgraded so a large supply of electricity can be accepted at that location? Also, plus the costs of any works that will have to be done since no change is possible unless more electricity must be brought in as the solar panels are unable to cover current needs of the Bluewater complex.**

Response from General Manager Community and Economy

This assessment has been completed through the development of the Bluewater Heat Pump Concept Report and engagement with Powercor, including potential costs for upgrades if required.

3. **It is very dubious that the Colac Otway Shire Council should now seek funds to do electrification of Bluewater since a council officer has already declared this would not happen due to the very large costs to convert from gas, plus the cost of electricity is very close to the cost of gas to the heating.**

Response from General Manager Community and Economy

Whilst this is a statement rather than a question and therefore doesn't require a response, it should be clarified that Council officers have not stated that the transition of the Bluewater Leisure Centre from gas to electricity would not happen due to the potential cost.

The report to today's Council meeting identifies an opportunity for Council to apply for external funding from the Federal Government to contribute to transitioning the Bluewater Leisure Centre from gas to electricity. Therefore, should Council determine to apply for external funding, and be successful in securing a grant, the cost to Council to undertake the project would be significantly decreased.

Jason Schram

1. **How could this council possibly consider spending one cent on the electric changeover at Bluewater when it has no idea of the costs to upgrade the power supply or even if it can be upgraded so the new equipment can be used?**

Response from General Manager Community and Economy

Through the preparation of the Bluewater Heat Pump Concept Report, Council engaged with Powercor who confirmed that there is network capacity to upgrade the power supply to the Bluewater Leisure Centre. In addition, Powercor provided a cost estimate for these works which has been factored into the overall project budget estimate.

2. Why would the CEO even present such a ridiculous and financially irresponsible notion to Council to consider taking a loan of over \$1 million dollars for a project that they do not even know can be achieved? (3)

Response from General Manager Community and Economy

The report to Council for consideration at today's meeting is in response to the Council Plan 2021-25, a specific action in the 2023-24 Council Annual Plan and Council's Climate Change Action Plan, which is detailed in the report. The report has been informed by the Bluewater Heat Pump Concept Report that was prepared by an external consultant, which identifies potential options and costs to implement.

3. Were the costings for power made on best pricing available or the ultra-expensive green power Council currently pays for?

Response from General Manager Community and Economy

The financial estimates in the Bluewater Heat Pump Concept Report used Council's most recent utility bills as per Council's contract for the provision of electricity. This contract was awarded by Council in 2022 and is very competitive with other energy providers.

Marina Lewis

1. The guidelines for the Community Energy Upgrades Fund state that there must be a dollar for dollar contribution in cash coming from Council. This 50% of the total funding can be by way of other non-Federal funding sources such as State Government.

Has Council investigated other possible funding streams to assist in covering the anticipated \$1.343 M cost to Council?

Response from General Manager Community and Economy

Officers have investigated other potential funding opportunities including the Victoria Government's recent Regional Community Sports Infrastructure Fund. Unfortunately, the project wasn't eligible for this program and there are currently no Victorian Government funding programs applicable to the Bluewater Electrification project.

If an eligible program becomes available in the future prior to the project commencing, this opportunity will be presented to Council for consideration.

Jeff Cooke

In looking at the Bluewater electrification proposal I notice that there is a 100KW solar system on the Bluewater roof and this was commissioned in 2018. I also note that very high output PV panels were necessary due to roof loading restrictions and so only a portion of the total roof is covered in solar panels. Two questions if I may:

1. Has Council given thought to somehow enabling more solar panels to be placed on the roof to increase the effectiveness of the electrification of the Bluewater Centre?

Response from General Manager Community and Economy

Council has considered additional solar panels on the Bluewater Leisure Centre's roof to further off-set some of Bluewater's electricity consumption. The pool hall roof and reception area roof have the space for additional solar panels; however the current roof doesn't have the load bearing capacity to support solar panels. As Council works through replacement of the pool hall roof, consideration will be given to providing a structure that has capacity for solar panels in the future.

2. Apparently one can see live monitoring of the Bluewater system via a Solarweb portal but the COS website page states that, "we are currently experiencing technical difficulties with the portals. The live data is not feeding through to our website." Has this been resolved and is the quoted figure of the solar arrays currently providing just under 20% of total electricity consumption for Bluewater accurate?

Response from General Manager Community and Economy

A link to the Solarweb portal can be found on the 'Council's Solar Initiative' page on Council's website which I believe is working. In 2023 the Solar array on Bluewater Leisure Centre produced 115.5MWh of electricity.

QUESTIONS RECEIVED VERBALLY AT THE MEETING

Nil

6 DECLARATIONS OF INTEREST

Nil

Item: 7.1

Bluewater Electrification Funding Opportunity

OFFICER	James Myatt
GENERAL MANAGER	Ian Seuren
DIVISION	Community and Economy
ATTACHMENTS	1. Final Report - Bluewater Electrification Heat Pump Concept Report - Bridgefords Group [7.1.1 - 30 pages]

RECOMMENDATION

That Council:

- 1. Notes the Community Energy Upgrades Fund provides funding on a \$1:\$1 basis towards projects that decarbonise local government facilities.*
- 2. Notes that the transition away from natural gas at all Council facilities, including the Bluewater Leisure Centre, is an action in Council's Climate Change Action Plan adopted by Council in October 2023.*
- 3. Determines whether to lodge an application to Round 1 of the Community Energy Upgrades Fund program for the Bluewater Electrification Project.*

RESOLUTION

MOVED Cr Stephen Hart, SECONDED Cr Max Arnott

That Council:

- 1. Notes the Community Energy Upgrades Fund provides funding on a \$1:\$1 basis towards projects that decarbonise local government facilities.*
- 2. Notes that the transition away from natural gas at all Council facilities, including the Bluewater Leisure Centre, is an action in Council's Climate Change Action Plan adopted by Council in October 2023.*

3. *Notes that the estimate of the Council contribution required for the project application is \$1,342,955.*
4. *Notes that \$75,000 is currently allocated for the purchase of carbon offsets to achieve carbon neutrality for the financial years 2021-22 and 2022-23, and that a decision on whether Council will purchase carbon offsets using these funds will be made at a future Council meeting.*
5. *Determines to submit an application to Round 1 of the Community Energy Upgrades Fund for the Bluewater Leisure Centre Electrification Project (being Option 5 of the Bluewater Leisure Centre Heat Pump Concept Report which will achieve full electrification of the centre).*
6. *Determines that its contribution to the project, subject to a successful grant application to the Community Energy Upgrades Fund and the project proceeding, is to be sourced as follows:*
 - a. *Council cash of \$842,955 as follows:*
 - i. *Reallocation of some or all funds allocated to purchase carbon offsets, if Council resolves at a future meeting not to proceed with the planned purchase of carbon offsets; and*
 - ii. *The balance of council cash is to come from the net proceeds from the sale of Bruce Street Colac currently held in the Strategic Projects Reserve.*
 - b. *A principal and interest loan for the remaining funds required, up to \$500,000 and subject to the following:*
 - i. *Borrowings can only be used for the specific purpose of funding the Bluewater Leisure Centre Electrification Project.*
 - ii. *The maximum term is ten years.*
 - iii. *That there be no balloon payment at any point throughout the life of the loan.*
 - iv. *The amount being for no more than the funding gap between external sources and Council's contribution as per point 6a).*
 - v. *The loan should not be entered into until the stage in the project where council is establishing contract obligations that exceed council's available cash in point 6a).*
7. *Notes the following in relation to the loan referenced in point 6b):*
 - a. *The process for entering a loan will comply with council's procurement policy, borrowing policy and financial delegations at that time.*
 - b. *This resolution does not preclude Council from borrowing a lesser amount than \$500,000 or for a shorter term than 10 years.*
 - c. *The planned borrowings and anticipated debt servicing, shall be incorporated into council's draft budget 2024-25 to provide further transparency and enable community feedback through the exhibition period.*
8. *Acknowledges that if the funds available for carbon offsets are used for this project then Council is unable to claim carbon neutrality for the 2021-22 and 2023-23 financial years.*
9. *Authorises the Chief Executive Officer to submit an application for the Bluewater Leisure Centre Electrification project to Round 1 of the Community Energy Upgrades Fund.*

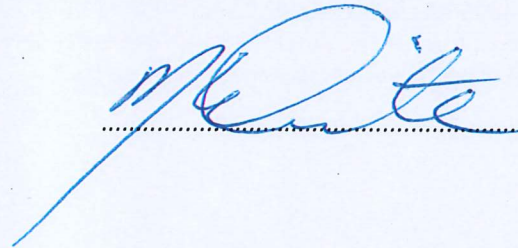
10. Authorises the Chief Executive Officer to enter into a funding agreement for the Bluewater Leisure Centre Electrification project should the application to Round 1 of the Community Energy Upgrades Fund be successful.

11. Notes that all figures above in Council's decision are exclusive of GST.

CARRIED 7:0

The meeting was declared closed at 4.42pm

CONFIRMED AND SIGNED at the meeting held on 24 April 2024.


.....MAYOR

Responses to questions taken on notice – Unscheduled Council Meeting – 10 April 2024

Jeff Cooke

Part of question 2 of Jeff Cooke’s questions submitted in writing as highlighted below:

2. Apparently one can see live monitoring of the Bluewater system via a Solarweb portal but the COS website page states that, “we are currently experiencing technical difficulties with the portals. The live data is not feeding through to our website.” Has this been resolved and is the quoted figure of the solar arrays currently providing just under 20% of total electricity consumption for Bluewater accurate?

Response Manager Business Enterprise and Improvement

The Solarweb portal through Councils website is currently operational and can be found using the following link: [Council's Solar Initiative - Colac Otway Shire](#). On the portal if you select ‘energy balance’ then ‘consumption’ you can view the percentage of Bluewater’s electricity consumption from the solar array. Since 2019, the annual percentages are as below:

- 2019 – 20%
- 2020 – 22%
- 2021 – 19%
- 2022 – 17%
- 2023 – 17%
- 2024 – 22% (year to date)

