

CONFIDENTIAL ITEMS 2003 – AUGUST 2025

#	Date	Item Title	Confidential Order Details	Item being kept confidential - Agenda/ Attachment/ Minutes	Reason regarding retention or recommend-action to release	Resolution Regarding Action	Last Review Date	Next Review Date	Date Released
178	6 June 2022	Proposed Upgrading and expansion of Nairne Wastewater Infrastructure	Section 90 (3) (b) Order 1. Pursuant to Section 90(3)(b) Pursuant to Section 90(2) of the Local Government Act 1999 the Council orders that all members of the public except the Chief Executive Officer; Deputy Chief Executive Officer/General Manager Wastewater/Recycled Water; General Manager, Infrastructure; Acting General Manager Community Services; General Manager Planning and Community; General Manager Corporate Services; Economic Development Project Manager; Risk and Governance Officer/ EA to the Mayor; and Minute Secretary be excluded from attendance at the meeting for Agenda Item 18.1 Proposed Upgrading and Expansion of Nairne Wastewater Infrastructure. The Council is satisfied that pursuant to Section 90(3)(b) of the Act, the information to be received, discussed or considered in relation to this agenda item is information the disclosure of which could reasonably be expected to confer a commercial advantage on a person with whom the Council is conducting business and proposing to conduct business; and would prejudice the commercial position of the Council. In addition, the disclosure of this information would, on balance, be contrary to the public interest. The public interest in public access to the meeting has been balanced against the public interest in continued non-disclosure of this information. The benefit to the public at large resulting from withholding the information outweighs the benefit to it of disclosure of the information. The Council is satisfied that the principle that the meeting be conducted in a place open to the public has been outweighed in the circumstances because the disclosure of Council's commercial position may prejudice Council's ability to be able to negotiate a cost-effective proposal for the benefit of the Council and the community in this matter and in relation	Agenda item and attachments 2 and 3, and all minutes be retained in confidence	The Council is satisfied that pursuant to Section 90(3)(b) of the Act, the information to be received, discussed or considered in relation to this agenda item is information the disclosure of which could reasonably be expected to confer a commercial advantage on a person with whom the Council is conducting business and proposing to conduct business; and would prejudice the commercial position of the Council. In addition, the disclosure of this information would, on balance, be contrary to the public interest. The public interest in public access to the meeting has been balanced against the public interest in continued non-disclosure of this information. The benefit to the public at large resulting from withholding the information outweighs the benefit to it of disclosure of the information. The Council is satisfied	Retained in confidence until Wastewater Commitment Deeds have been executed by both parties over the greenfields sites shown as Nairne West and Oakford Homes in attachment 2 and the procurement of all Nairne Wastewater Infrastructure Project stage 1 works has occurred, or such lesser period as may be determined by the Chief Executive Officer, and that this order be reviewed every 12 months; but save and except information that is required to be made publicly available now to enable community consultation to occur on proposed Wastewater Infrastructure Augmentation Separate Rates.	8 Oct 24	Within 12 months	<i>Attachments 1 and 4 released on website 31 August 2022 Report, Attachments 2 and 3 and Minutes released on website 13 October 2025</i>

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#	Date	Item Title	Confidential Order Details	Item being kept confidential - Agenda/ Attachment/ Minutes	Reason regarding retention or recommend-action to release	Resolution Regarding Action	Last Review Date	Next Review Date	Date Released
			to procurement and contract negotiations. Section 91(7) Order 6. <u>Pursuant to Section 90 (3) (b)</u> That having considered the Agenda Item 18.1 Proposed Upgrading and Expansion of Nairne Wastewater Infrastructure in confidence under 90(2) and (3)(b) of the Local Government Act 1999, the Council pursuant to Section 91(7) of the Act orders that the agenda item and attachments 2 and 3, and all minutes be retained in confidence until Wastewater Commitment Deeds have been executed by both parties over the greenfields sites shown as Nairne West and Oakford Homes in attachment 2 and the procurement of all Nairne Wastewater Infrastructure Project stage 1 works has occurred, or such lesser period as may be determined by the Chief Executive Officer, and that this order be reviewed every 12 months; but save and except information that is required to be made publicly available now to enable community consultation to occur on proposed Wastewater Infrastructure Augmentation Separate Rates.		that the principle that the meeting be conducted in a place open to the public has been outweighed in the circumstances because the disclosure of Council's commercial position may prejudice Council's ability to be able to negotiate a cost-effective proposal for the benefit of the Council and the community in this matter and in relation to procurement and contract negotiations.				

18. CONFIDENTIAL REPORTS

18.1 CONFIDENTIAL ITEM: PROPOSED UPGRADING AND EXPANSION OF NAIRNE WASTEWATER INFRASTRUCTURE

DATE OF MEETING: 6 JUNE 2022

FILE NUMBER: 22/36854

ATTACHMENTS: 1 – 2010 MINISTERIAL DPA AREA 11/11473
2 – LOCATION PLAN OF 4 GREENFIELDS DEVELOPMENT SITES 21/81509
3 - SUMMARY OF PROPOSED FUNDING ARRANGEMENTS 22/44631
4 – SUMMARY OF PROPOSED WASTEWATER INFRASTRUCTURE AUGMENTATION SEPARATE RATES 22/59766

Key Contact Brian Clancey, Deputy CEO/General Manager Governance and Wastewater/Recycled Water

Sponsor Andrew Stuart, Chief Executive Officer

Community Plan 2020-2035:

Community Wellbeing

Safety and Resilience - Objective 4.4

Provide wastewater treatment services to deliver public health, environmental and economic outcomes and climate change adaptation solutions.

Annual Business Plan:

Wastewater/Recycled Water

Key Objectives 2021/22

Continue with planning, design and construction of the capital works program

Purpose:

To seek council authority for a range of actions to enable the renewal, upgrading and expansion of council's wastewater infrastructure to cater for current wastewater customers and growth in Nairne ("the Nairne Wastewater Project").

Summary – Key Issues:

- Council provides a wastewater service to the township of Nairne with that infrastructure now being near, or at capacity;
- The township of Nairne is forecast to grow by around 37% by 2036 and to cater for that, the upgrading and expansion of the council's wastewater infrastructure is required;

- Outlined below is the proposed staging and funding of that upgrading and expansion, and the renewal of existing wastewater assets.

Recommendation:

That Council:

Section 90 (3) (b) Order

1. Pursuant to Section 90(3)(b)

Pursuant to Section 90(2) of the Local Government Act 1999 the Council orders that all members of the public except the Chief Executive Officer; Deputy Chief Executive Officer; General Manager Wastewater/Recycled Water; General Manager, Infrastructure; Acting General Manager Council Services; General Manager Planning and Development; General Manager Corporate Services and Minute Secretary be excluded from attendance at the meeting for Agenda Item 18.1 Proposed Upgrading and Expansion of Nairne Wastewater Infrastructure.

The Council is satisfied that pursuant to Section 90(3)(b) of the Act, the information to be received, discussed or considered in relation to this agenda item is information the disclosure of which could reasonably be expected to confer a commercial advantage on a person with whom the Council is conducting business and proposing to conduct business; and would prejudice the commercial position of the Council.

In addition, the disclosure of this information would, on balance, be contrary to the public interest. The public interest in public access to the meeting has been balanced against the public interest in continued non-disclosure of this information. The benefit to the public at large resulting from withholding the information outweighs the benefit to it of disclosure of the information. The Council is satisfied that the principle that the meeting be conducted in a place open to the public has been outweighed in the circumstances because the disclosure of Council's commercial position may prejudice Council's ability to be able to negotiate a cost-effective proposal for the benefit of the Council and the community in this matter and in relation to procurement and contract negotiations.

2. Approve the Nairne Wastewater Project funding arrangements as summarised in attachment 3, including the proposed approach to the site specific Wastewater Infrastructure Fees;

3. Approve the Nairne Wastewater Project Stage 1 as outlined in this item proceeding to be delivered, subject to a wastewater commitment deed being executed by council with each of the developers of the two major development sites shown as Nairne West and Oakford Homes in attachment 2;
4. Delegate to the Chief Executive Officer or nominee to finalise and execute (together with the Mayor) a wastewater commitment deed with each of the developers of the two major development sites shown as Nairne West and Oakford Homes in attachment 2, to reflect the respective site specific Wastewater Infrastructure Fees as summarised in attachment 3 under the heading of *Proposed Approach to Greenfields Development Sites*;
5. Authorise community consultation to occur on proposed Wastewater Infrastructure Augmentation Separate Rates, as outlined below and summarised in attachment 4; and

Section 91(7) Order

6. Pursuant to Section 90 (3) (b)
That having considered the Agenda Item 18.1 Proposed Upgrading and Expansion of Nairne Wastewater Infrastructure in confidence under 90(2) and (3)(b) of the Local Government Act 1999, the Council pursuant to Section 91(7) of the Act orders that the agenda item and attachments 2 and 3, and all minutes be retained in confidence until Wastewater Commitment Deeds have been executed by both parties over the greenfields sites shown as Nairne West and Oakford Homes in attachment 2 and the procurement of all Nairne Wastewater Infrastructure Project stage 1 works has occurred, or such lesser period as may be determined by the Chief Executive Officer, and that this order be reviewed every 12 months; but save and except information that is required to be made publicly available now to enable community consultation to occur on proposed Wastewater Infrastructure Augmentation Separate Rates.

Background:

1. A confidential informal gathering for council members was held in April 2021 to provide an overview on the Nairne Wastewater Project.
2. That presentation included that the current population of Nairne (at that time) was approximately 4,900 and that forecast.id (a specialist consulting firm) has forecast this to grow to 6,700 by 2036 an increase of 37%.

3. That growth is forecast to occur in:
 - the three land parcels that were included in the 2010 Ministerial DPA area (south of the Nairne Primary School as shown in attachment 2 as Oakford Homes, Tremaine Land and Oakleigh Holdings);
 - significant further infill development in the older parts of the township; and
 - a development site that was rezoned at the initiative of Council in 2006 (at the western edge of the town, shown as Nairne West in attachment 2 and being marketed as *The Orchard*).
4. Council provides a community wastewater management system (CWMS) to Nairne. The land parcels within the 2010 Ministerial DPA area are designated for medium density development (see attachment 1). Council is proposing to provide both a sewer (in selected locations) and a CWMS service to Nairne township.
5. The existing wastewater infrastructure is at or near capacity and is unable to service the forecast growth (under existing zoning). Consequently there is a timing imperative to implement the Nairne Wastewater Project.
6. To service this growth will require:
 - some new infrastructure (rising mains and pumping stations);
 - the renewal with upgrading of some existing infrastructure (rising mains and gravity mains);
 - additional storage for emergency use only at an existing pumping station; and
 - increased capacity at the Mount Barker wastewater treatment plant on Springs Road.
7. Previous council meeting agenda items on this matter were considered in June 2021 when the business case (a confidential item) was endorsed and in February 2022 when the prudential report was considered and noted.
8. Letter exchanges with the developers of two of the major development sites occurred in April 2021. These sites are Nairne West/The Orchard (Mr James Sexton) and Oakford Homes south of the Nairne Primary School (see attachment 2).

9. As indicated in both of those letters, a council meeting decision will determine the wastewater infrastructure fee that is to be applicable to each site.
10. What has changed since those letter exchanges a bit over 12 months ago is that Council has adopted a revised council policy on wastewater infrastructure fees and augmentation charges which includes a preference and intent for the determination of site specific infrastructure fees where possible.
11. In addition, interim arrangements have also been entered into by council (in March and July 2021) with the developer of The Orchard/Nairne West Mr James Sexton for the first two stages only of that development. Interim arrangements were necessary given council is yet to approve the implementation of the Nairne Wastewater Project.
12. In summary, those interim arrangements entail that the developer is to be fully responsible for the funding, delivery, operation (under specified council conditions and restrictions) and ultimate removal of the required pump station and section of rising main (located within the development site) that enables wastewater from the development to be pumped into the council's wastewater network.
13. It is understood from the design engineer that the capital cost of this infrastructure was in the vicinity of \$140,000. The developer has been charged \$6,024 per allotment for stage 1 (CWMS) and for Stage 2 (sewer) \$9,344 per allotment (i.e. notwithstanding the capital cost incurred by the developer due to the interim arrangements, no reduction has occurred to the amount of the wastewater infrastructure fees).
14. It is proposed that the Nairne Wastewater Project be undertaken in two stages. Stage 1 would be undertaken in 2022/23 and 2023/24 and Stage 2 is forecast to be required in 2030/31 (the actual timing will be subject to growth rates).
15. In addition is the program of wastewater asset renewals and in some cases renewal would include upgrading not simply be like for like replacement. This program is scheduled for delivery from 2026 – 2042.
16. To enable the Nairne Wastewater Project (Stage 1) to be authorised to proceed to delivery, council decision making on the required capital investment and the funding arrangements is now required. A cocktail of funding sources is proposed as set out below.

Discussion:

Proposed Funding

17. Funding of the Nairne Wastewater Project is to be via the wastewater service which is owned and operated by council.
18. Operation, maintenance and asset renewal (like for like) is to be funded from wastewater revenue received via the annual service charges (CWMS and sewer). This revenue is credited to the council's Wastewater Maintenance Reserve.
19. New and upgraded (where the upgrading relates to increased capacity) assets are to be funded from wastewater revenue received from developers. This revenue is credited to the council's Wastewater Infrastructure Reserve.
20. Council did apply to the Federal Government in 2021 for a grant of \$2.3 million to contribute to the cost of the new and upgraded assets. That application was not successful which was an assumption in the business case.
21. A summary of the proposed funding arrangements including the methodology used and assumptions made is contained in attachment 4. This includes wastewater revenue that will become payable to council when two other land parcels contained within the 2010 Ministerial DPA area for Nairne are ultimately developed (refer below).
22. It is proposed to aggregate procurement of the Nairne Wastewater Project Stage 1 with the procurement of 3 additional wastewater collection mains (to be in Mount Barker) which are the subject of a prudential report that is being prepared at present. This procurement strategy should achieve an improved cost to the wastewater service that is owned and operated by council.

Proposed Wastewater Infrastructure Augmentation Separate Rates

23. Council has previously declared (following community consultation) Wastewater Infrastructure Augmentation separate rates in other locations.
24. The purpose of such separate rates is to ensure that all developers contribute to the capital cost of the provision of wastewater infrastructure from which the development of a specified parcel of land will derive direct benefit when that land is developed.
25. This provides security for future wastewater revenue to council and is consistent with the principles of both equity and beneficiary pays. The timing of that wastewater revenue is determined by when the land parcel is developed. Until that occurs, no payment is required.

26. That obligation is transparent and is known so that a prospective purchaser of a parcel of land over which such a separate rate has been declared is aware and can give that consideration in relation to commercial arrangements with the land owner.
27. Please refer to attachment 4 which provides a summary of the proposed Wastewater Infrastructure Augmentation separate rates in relation to the Nairne Wastewater Project. In 2021 Council staff flagged this scenario with the respective owners of the two land parcels involved (shown in attachment 2 as the Tremaine Land and Oakleigh Holdings) and both owners acknowledged the merit of the council's intent and the rationale for it.

Community Engagement:

Informing only and consultation limited to the proposed Wastewater Infrastructure Augmentation separate rates	Community consultation is required in relation to the proposed declaration of Wastewater Infrastructure Augmentation separate rates as summarised in attachment 4. Council will write directly to the owners of each of the two land parcels on which a wastewater infrastructure augmentation separate rate is proposed. The outcome of that community consultation will be the subject of a further agenda item for a future council meeting. Other information is recommended to remain confidential for the time being, as per recommendation 6 above.
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Policy:

- Wastewater Infrastructure Fees and Augmentation Charges Policy
- Infrastructure Contributions – Separate Rate Relief Policy
- Asset Management Policy

Long Term Financial Plan:

Deliberately the Nairne Wastewater Project was not included in the adopted Long Term Financial Plan (LTFP) as when the adoption of that occurred, the project planning was work in progress and preliminary cost estimates were not available.

The exception to this is the capacity for wastewater asset renewal which was included.

As per one of the recommendations in the Frontier Economics report on wastewater service delivery as endorsed by council, the current revision of the LTFP does include forecast revenue and expenditure in relation the Nairne Wastewater Project that is applicable for the life of the LTFP (10 years).

The next iteration of the LTFP is scheduled to be considered by the Audit and Risk Committee in October/ November 2022.

Currently being updated is the long term financial model for wastewater and this does now include forecast revenue and expenditure relating to the Nairne Wastewater Project. Information on the revised long term financial model for wastewater is scheduled to be presented for consideration at the June 2022 meeting of the council Audit and Risk Committee with the intent of the Committee's recommendations being considered at the July 2022 council meeting.

Budget:

Project preparation costs have been able to be met from within the current wastewater budget.

Project revenues and expenditures will span multiple financial years.

For the preparation of the draft 2022/23 budget, provision for the Nairne Wastewater Project has been included.

Statutory/Legal:

- Local Government Act
- Water Industry Act

Staff Resource Requirements:

The recommendations are able to be implemented within existing staff capacity with external input on the preparation of the required two wastewater commitment deeds.

The procurement and delivery of stage 1 will require input from various external service providers in a range of fields including design and probity.

Environmental:

Undertaking the Nairne Wastewater Project will reduce the risk of wastewater network overflows.

Social:

Undertaking the Nairne Wastewater Project will provide improved public health and generate employment through the construction industry.

Risk Assessment:

Key risks and the management of same is outlined below.

1. Legally binding commitment is not secured from one or both of the developers of the two major development sites (Nairne West and Oakford Homes)– whilst this is not expected, if it does occur the response would be to reduce the project scope and cost;
2. Growth rates are slower than forecast so the timing of revenue from developers and ratepayers is delayed impacting loan costs - monitor growth closely and adjust capital investment timing (project staging) as required;
3. Actual costs significantly exceed forecast costs – implement procurement and project management strategies to address this; and
4. The proposed wastewater infrastructure augmentation separate rate on each of the 2 MDPA land parcels (Tremaine Land and Oakleigh Holdings) is challenged - both land owners have been informed previously and appeared to be comfortable in principle.

Asset Management:

Council is responsible for the operation, maintenance and renewal of the existing wastewater assets and would be responsible for same with the new and upgraded assets which would require updating to the Wastewater Asset Management Plan.

Conclusion:

To continue to deliver a public health service and cater for forecast growth in the Nairne township, a staged approach to upgrading and expanding the council's wastewater infrastructure is required; this together with asset renewal is proposed to be funded as outlined in this item.

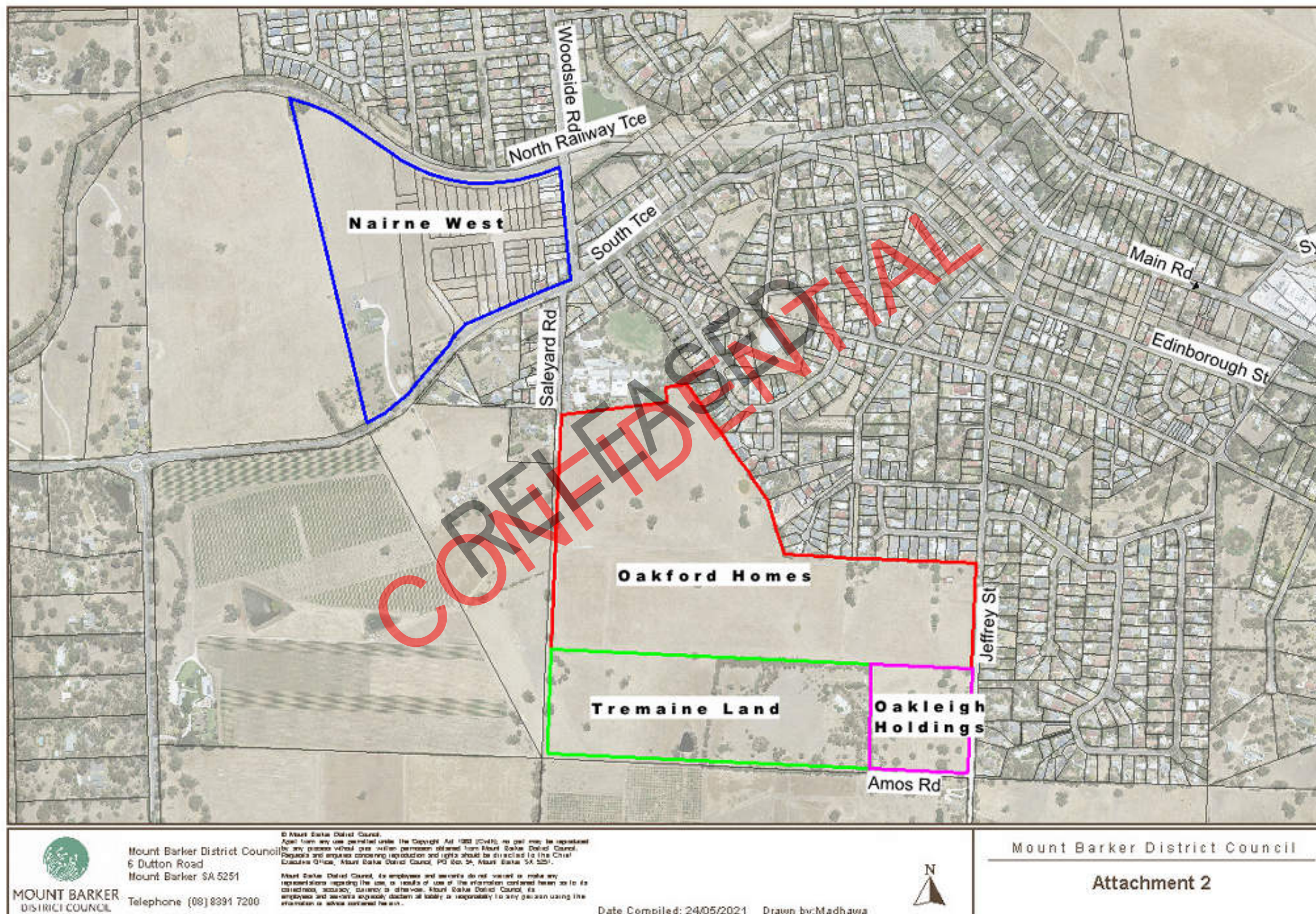
Previous Decisions By/Information Reports to Council

Meeting Date	7 JUNE 2021	CM Reference	DOC/21/55705
Title	CONFIDENTIAL ITEM: NAIRNE WASTEWATER INFRASTRUCTURE PROPOSED UPGRADING AND EXPANSION: BUSINESS CASE		
Purpose	• To seek endorsement of the attached business case for the Nairne Wastewater Project; • To provide information on the status of negotiations with developers of Nairne sites on wastewater service delivery; and • To outline the required future actions.		

Meeting Date	17 FEBRUARY 2022	CM Reference	DOC21/211087
Title	NAIRNE TOWNSHIP WASTEWATER INFRASTRUCTURE UPGRADE – PRUDENTIAL REPORT		
Purpose	To consider the Prudential Report and the actions taken in response to the six recommendations therein		

CONFIDENTIAL

Attachment 2 to Item 18.1



Attachment 3 to Item 18.1

Attachment 3

Confidential

Summary of Proposed Funding Arrangements for Upgrading and Expansion of Nairne Wastewater Infrastructure

HP 22/44631

INTRODUCTION

The upgrading and expansion of Nairne wastewater infrastructure is proposed to occur over a 20 year timeframe, including two major stages.

Stage1 works are proposed works to commence in 2022/23 whilst Stage 2 is expected to be required in 2032/33 (subject to actual growth rates) with in addition, major asset renewal (pump station on Hogan Road) forecast for around 2042/43.

METHODOLOGY

Within the township of Nairne, council can now offer the developer of a site a Community Wastewater Management System (CWMS) or in selected locations, a sewer service.

The cost and hence the fees and charges payable, will vary according to the applicable service.

To determine the funding arrangements to be applied to the upgrading and expansion, it is necessary to consider all elements of the wastewater service being:

- Collection;
- Treatment; and
- Disposal (including re-use)

Within the endorsed project business case, only 41% of the forecast revenue from all Nairne developers is applied to the cost of the upgrading of existing and new collection infrastructure, importantly the balance of this revenue is to be available to contribute to council costs relating to capital expenditure on upgrading wastewater treatment and disposal (including re-use if this relates to the lowest cost disposal path option) infrastructure.

In turn, it is then necessary to consider the nature of the required works to separate:

1. new assets that are required only to service growth;
2. upgrading of existing assets to service growth and/or to upscale service delivery to meet for example increased requirements of regulators for the quality of treated wastewater; and

3. the renewal of existing assets (like for like) that are required to continue to service current wastewater customers.

It is necessary to apportion costs according to the 'beneficiary pays' principle and as attributable to specific development sites. As an example, if a development site requires infrastructure due to location and topography such as a pumping station that is unique to that site, this should be reflected in the amount payable by the developer of that site.

In relation to Nairne township, the beneficiaries will be the developers of:

1. the three land parcels rezoned in 2010 via the Ministerial DPA; and
2. an additional greenfields development site in Nairne West (The Orchard);
3. infill sites within the existing township including small scale (one allotment into two) and those of more significant scale (e.g. the balance of the land adjacent the retail/commercial complex in Nairne east on the former Chapman's site).

ASSUMPTIONS

There are unknowns at this time such as the timing of some development occurring and the actual costs of works versus estimated costs, and the timing of the various works being undertaken.

As a consequence, it is necessary to make assumptions on a number of matters with examples of that being:

1. The major asset renewal programmed/forecast for around 2042/43 (pump station on Hogan Road) will be fully funded from revenue that is derived from wastewater annual service charges (please see below);
2. To what extent funds in wastewater reserves will be available when cash flow is required versus the need to borrow;
3. The forecast number of allotments to be created when greenfields sites are developed (note: irrespective of forecast v actual numbers, the developer is obliged to pay according to the actual number of additional allotments created or where the land use is not residential e.g. a child care facility, a conversion formula is used to reflect the demand of the land use on the council network);
4. When revenues will be received by council, which is triggered by the timing of the development of individual development sites; and
5. Whether grant funding will be secured for future required works (generally such funding opportunities are primarily in relation to re-use and the supply of recycled water for productive use).
6. In the business case it was assumed that the wastewater infrastructure fee applicable to both the The Orchard/Nairne West and the Oakford Homes sites would be the standard sewer infrastructure fee with a reduction of 10%. This reflected the council letter exchanges with each of these developers that occurred in April 2021 which made clear that such a reduction was subject to determination at a council meeting.

COUNCIL POLICY

Recommended changes to the council Wastewater Infrastructure Fees and Augmentation Charges Policy were adopted at the council meeting held on 7 March 2022.

To ensure equity across different development sites and that wastewater infrastructure fees are paid by developers (as distinct from land owners/ratepayers not undertaking development), it is proposed to use the existing wastewater infrastructure augmentation separate rate mechanism.

This mechanism is applied in a manner to achieve the 'beneficiary pays' principle and the framework is supported by existing council policy (Infrastructure Contributions – Separate Rate Relief Policy). Please refer attachment 5.

REVENUE SOURCES

Revenue to the council owned and operated wastewater service is derived from the following sources:

1. Annual services charges for both sewer and Community Wastewater Management Systems (CWMS) payable by ratepayers to fund operation, maintenance and asset renewal (like for like);
2. Wastewater infrastructure fees payable by developers when triggered by development being undertaken to fund new and upgraded (additional capacity) assets;
3. Grant funding that may be secured to contribute to the cost of wastewater/recycled water infrastructure; and
4. Revenue from the sale of recycled water.

DISCUSSION

Long term financial modelling for wastewater, with associated assumptions is maintained and reviewed annually by council including by the council's Audit and Risk Committee. This modelling informs the amounts of required revenue via wastewater fees and charges.

Having regard to all of the above and the information available at this time, the following funding arrangements are proposed in relation to Nairne stages 1 and 2:

1. To be fully funded from asset renewal (i.e. revenue that is derived from annual service charges) is around \$1 million being for the Woodside Road and North Terrace CWMS mains which are both due for renewal in 2025/26.
2. For infill development sites of small scale the base infrastructure fee as determined by council meeting resolution at the commencement of each

financial year shall apply (in 2021/22 this is \$6,441 per each new connection for CWMS and \$9,344 per each new connection for sewer). Interestingly, the business case includes forecast infill and greenfields development with the former expected to exceed the latter over the long term, but not in the short term.

3. For each of the greenfields development sites, as per below having regard to the above points and the following:
 - a) The business case as endorsed at the council meeting held in June 2021 was prepared on the basis of the developers of The Orchard/Nairne West and Oakford Homes sites receiving a reduction of 10% in the standard wastewater infrastructure fee;
 - b) Since then the adoption of the revised Wastewater Infrastructure and Augmentation Charges Policy means that where possible site specific wastewater infrastructure fees should be determined where the proposed development exceeds a one allotment into two allotments, noting as reflected in the revised policy that this has significant resource implications beyond the capacity of council at present to fully cater for. This is partly applicable to the situation in Nairne. Existing wastewater customers will be a major beneficiary of proposed infrastructure investment ranging from 45% to 80% for stages 1 and 2. In relation to growth, as indicated above, in the long term the majority of the revenue is forecast to come from infill development, primarily one allotment into two allotments.
 - c) The interim arrangement agreed to by council with the developer of The Orchard/Nairne West has seen the developer fund and procure a site specific pumping station and section of rising main at a cost that council understands to be around \$140,000.

Proposed Approach to Greenfields Development Sites

- The Orchard/Nairne West development

A reduction in the standard wastewater infrastructure fee of 5% be applicable for the remaining stages only i.e. not stages 1 and 2.

- Oakford Homes development site (MDPA site)

A reduction in the standard wastewater infrastructure fee of 5% be applicable but if that is rejected by the developer, the reduction be increased via negotiation but is not to exceed 7.5%.

- Oakleigh Holdings/Ashley Fowler owned development site (MDPA site)

Refer attachment 4.

- Tremaine owned development site (MDPA site)

Refer attachment 4.

18. CONFIDENTIAL REPORTS

- 18.1 CONFIDENTIAL ITEM: PROPOSED UPGRADING AND EXPANSION OF NAIRNE WASTEWATER INFRASTRUCTURE**
- DATE OF MEETING: 6 JUNE 2022**
- FILE NUMBER: DOC/22/36854**
- ATTACHMENTS: 1) 2010 MINISTERIAL DPA AREA DOC/11/11473**
2) LOCATION PLAN OF 4 GREENFIELDS DEVELOPMENT SITES DOC/21/81509
3) SUMMARY OF PROPOSED FUNDING ARRANGEMENTS DOC/22/44631
4) SUMMARY OF PROPOSED WASTEWATER INFRASTRUCTURE AUGMENTATION SEPARATE RATES DOC/22/59766

Moved Councillor Westwood that Council:

Section 90 (3) (b) Order

1. Pursuant to Section 90(3)(b)
Pursuant to Section 90(2) of the Local Government Act 1999 the Council orders that all members of the public except the Chief Executive Officer; Deputy Chief Executive Officer/General Manager Wastewater/Recycled Water; General Manager, Infrastructure; Acting General Manager Community Services; General Manager Planning and Community; General Manager Corporate Services; Economic Development Project Manager; Risk and Governance Officer/ EA to the Mayor; and Minute Secretary be excluded from attendance at the meeting for Agenda Item 18.1 Proposed Upgrading and Expansion of Nairne Wastewater Infrastructure.

The Council is satisfied that pursuant to Section 90(3)(b) of the Act, the information to be received, discussed or considered in relation to this agenda item is information the disclosure of which could reasonably be expected to confer a commercial advantage on a person with whom the Council is conducting business and proposing to conduct business; and would prejudice the commercial position of the Council.

In addition, the disclosure of this information would, on balance, be contrary to the public interest. The public interest in public access to the meeting has been balanced against the public interest in continued non-disclosure of this information. The benefit to the public at large resulting from withholding the information outweighs the benefit to it of disclosure of the information. The Council is satisfied that the principle that the meeting be conducted in a place open to the public has been outweighed in the circumstances because the disclosure of Council's commercial position may prejudice Council's ability to be able to negotiate a cost-effective proposal for the benefit of the Council and the community in this matter and in relation to procurement and contract negotiations.

7.56pm Councillor Morrison left the meeting

Seconded Councillor Jones

CARRIED
OM20220606.17

7.59pm Councillor Morrison returned to the meeting

Moved Councillor Seager that Council:

2. approve the Nairne Wastewater Project funding arrangements as summarised in attachment 3, including the proposed approach to the site specific Wastewater Infrastructure Fees
3. approve the Nairne Wastewater Project Stage 1 as outlined in this item proceeding to be delivered, subject to a wastewater commitment deed being executed by council with each of the developers of the two major development sites shown as Nairne West and Oakford Homes in attachment 2
4. delegate to the Chief Executive Officer or nominee to finalise and execute (together with the Mayor) a wastewater commitment deed with each of the developers of the two major development sites shown as Nairne West and Oakford Homes in attachment 2, to reflect the respective site specific Wastewater Infrastructure Fees as summarised in attachment 3 under the heading of *Proposed Approach to Greenfields Development Sites*; and
5. authorise community consultation to occur on proposed Wastewater Infrastructure Augmentation Separate Rates, as outlined below and summarised in attachment 4.

Seconded Councillor Morrison

CARRIED
OM20220606.18

Section 91(7) Order

Moved Councillor Westwood

6. Pursuant to Section 90 (3) (b)

That having considered the Agenda Item 18.1 Proposed Upgrading and Expansion of Nairne Wastewater Infrastructure in confidence under 90(2) and (3)(b) of the Local Government Act 1999, the Council pursuant to Section 91(7) of the Act orders that the agenda item and attachments 2 and 3, and all minutes be retained in confidence until Wastewater Commitment Deeds have been executed by both parties over the greenfields sites shown as Nairne West and Oakford Homes in attachment 2 and the procurement of all Nairne Wastewater Infrastructure Project stage 1 works has occurred, or such lesser period as may be determined by the Chief Executive Officer, and that this order be reviewed every 12 months; but save and except information that is required to be made publicly available now to enable community consultation to occur on proposed Wastewater Infrastructure Augmentation Separate Rates.

Seconded Councillor Jones

CARRIED
OM20220606.19

RELEASED