



SOUTH BURNETT
REGIONAL COUNCIL

AGENDA

Late Reports

**Community Standing Committee
Meeting**

Wednesday, 13 April 2022

Date: Wednesday, 13 April 2022

Time: 9.00am

**Location: Warren Truss Chamber
45 Glendon Street
Kingaroy**

**Mark Pitt PSM
Chief Executive Officer**

Order Of Business

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9 PORTFOLIO – RURAL RESILIENCE, PARKS & GARDENS, PROPERTY & FACILITY MANAGEMENT, INDIGENOUS AFFAIRS

9.14 MURGON PASTORAL, AGRICULTURAL & HORTICULTURAL SOCIETY INC. - TRANSFER OWNERSHIP OF ASSET

File Number: 13-04-2022

Author: Coordinator Executive Services

Authoriser: Chief Executive Officer

PRECIS

Transfer of building asset located in Lease Area C within Lot 7 on SP 217287

SUMMARY

Transfer of building asset located in Lease Area C within Lot 7 on SP 217287 to Murgon Pastoral, Agricultural & Horticultural Society Inc.

OFFICER'S RECOMMENDATION

That the Committee recommends to Council:

1. That for the purposes of the Local Government Regulation 2012, section 236(2), Council decides, by resolution, that the exception in the Regulation section 236(1)(b) applies to Council in the disposal of the Building Assets as identified as the old cattle stalls on Lease Area C within Lot 7 on SP217287, other than by tender or auction, to the community organisation, Murgon Pastoral Agricultural and Horticultural Society Inc, because:
 - (a) it is in the public interest to dispose of the Assets without a tender or auction to the community organisation, Murgon Pastoral Agricultural and Horticultural Society Inc; and
 - (b) the disposal is otherwise in accordance with the sound contracting principles.

BACKGROUND

South Burnett Regional Council received a request to de-construct the timber structure known as the cattle stalls located on Lease Area C as part of Lot on SP217287 and a meeting was held on site committee members on 8 April 2022.

The request has been considered and Council can inform you that, in accordance with Clause 7.7 (1) (e) of the Trustee Lease between Council and the Murgon Pastoral Agricultural and Horticultural Society Inc. and Council granted approval to deconstruct the timber structure known as the cattle stalls conditional upon several conditions which included:

All volunteers and contractors attend the site and participate in a site induction with Council's Workplace Health and Safety Advisor on Sunday 10 April 2022, when the building was scheduled for deconstruction, at 8:30 am and that the site must be restricted from public access by the closing of external gates, using of temporary bollards and witches' hats to delineate the construction site.

No individual member of the society will gain any benefit from the disposal of the site and Council's approval is required to dispose of the materials from the deconstruction of the building.

A report was previously presented to the Community Standing Committee on 13 October 2021 requesting Council transfer the building assets within the lease area to the Society to enable their plans to upgrade the facilities by demolition and replacement of the buildings with Council agreeing to the following recommendation:

**9.12 MURGON PASTORAL, AGRICULTURAL & HORTICULTURAL SOCIETY INC.
REQUEST TO TRANSFER OWNERSHIP OF BUILDINGS**

COMMITTEE RESOLUTION 2021/120

Moved: Cr Danita Potter

Seconded: Cr Scott Henschen

That the Committee recommend to Council:

1. In accordance with the purposes of the *Local Government Regulation 2012* (the Regulation), section 236(2), Council decides, by resolution, that the exception in the Regulation, section 236(1)(b) applies to Council in the disposal of building assets on Lease Area C within Lot 7 on SP217287, other than by tender or auction, to a community organisation, Murgon Pastoral Agricultural and Horticultural Society Inc. because:
 - (a) it is in the public interest; and
 - (b) the disposal is otherwise in accordance with the sound contracting principles.
2. In accordance with *Local Government Act 2009 (the Act)*, Section 257, to delegate to the Chief Executive Officer of Council, the power under section 262(3) of the Act, to negotiate and agree in principle the terms and conditions of a contract for the disposal of the building assets to the community organisation, Murgon Pastoral Agricultural and Horticultural Society Inc., for approval by Council.

In Favour: Crs Roz Frohloff, Gavin Jones, Danita Potter, Kirstie Schumacher and Scott Henschen

Against: Nil

CARRIED 5/0

The following recommendation was adopted at the General Council Meeting on 20 October 2021:

**14.6 MURGON PASTORAL, AGRICULTURAL & HORTICULTURAL SOCIETY INC.
REQUEST TO TRANSFER OWNERSHIP OF BUILDINGS**

RESOLUTION 2021/225

Moved: Cr Kathy Duff

Seconded: Cr Gavin Jones

That:

1. In accordance with the purposes of the *Local Government Regulation 2012* (the Regulation), section 236(2), Council decides, by resolution, that the exception in the Regulation, section 236(1)(b) applies to Council in the disposal of building assets on Lease Area C within Lot 7 on SP217287, other than by tender or auction, to a community organisation, Murgon Pastoral Agricultural and Horticultural Society Inc. because:
 - (a) it is in the public interest; and
 - (b) the disposal is otherwise in accordance with the sound contracting principles.
2. In accordance with *Local Government Act 2009 (the Act)*, Section 257, to delegate to the Chief Executive Officer of Council, the power under section 262(3) of the Act, to negotiate and agree in principle the terms and conditions of a contract for the disposal of the building assets to the community organisation, Murgon Pastoral Agricultural and Horticultural Society Inc., for approval by Council.

In Favour: Crs Brett Otto, Gavin Jones, Kathy Duff, Roz Frohloff, Danita Potter, Kirstie Schumacher and Scott Henschen

Against: Nil

CARRIED 7/0

The action by the committee has removed a structure that was becoming structural impaired and allows for future activities to be held on the site where the shed was previously located.

ATTACHMENTS

1. **Report to Community Portfolio Standing Committee on 13 October 2021** [↓](#) 
2. **Image - Old Shed** [↓](#) 

**9.12 MURGON PASTORAL, AGRICULTURAL & HORTICULTURAL SOCIETY INC.
REQUEST TO TRANSFER OWNERSHIP OF BUILDINGS**

File Number: 13-10-2021
Author: Lease Officer
Authoriser: Chief Executive Officer

PRECIS

The Murgon Pastoral, Agricultural & Horticultural Society Inc. have approached Council with plans to upgrade the facilities located in Lease Area C within Lot 7 on SP217287.

SUMMARY

The Murgon Pastoral Agricultural & Horticultural Society Inc. requested that Council transfer the building assets within the lease area to them to enable their plans to upgrade the facilities by demolition and replacement of the buildings.

OFFICER'S RECOMMENDATION

That the Committee recommend to Council:

1. In accordance with the purposes of the *Local Government Regulation 2012* (the Regulation), section 236(2), Council decides, by resolution, that the exception in the Regulation, section 236(1)(b) applies to Council in the disposal of building assets on Lease Area C within Lot 7 on SP217287, other than by tender or auction, to a community organisation, Murgon Pastoral Agricultural and Horticultural Society Inc. because:
 - (a) it is in the public interest; and
 - (b) the disposal is otherwise in accordance with the sound contracting principles.
2. In accordance with *Local Government Act 2009* (the Act), Section 257, to delegate to the Chief Executive Officer of Council, the power under section 262(3) of the Act, to negotiate and agree in principle the terms and conditions of a contract for the disposal of the building assets to the community organisation, Murgon Pastoral Agricultural and Horticultural Society Inc., for approval by Council.

FINANCIAL AND RESOURCE IMPLICATIONS

The building assets located on the lease area are in poor condition and at the end of their useful life. The Murgon Pastoral Agricultural and Horticultural Society Inc. (the Committee) are responsible for all repairs and maintenance of the assets. On the disposal of the building assets, Council will accrue the loss of the value of the assets, but this will be offset by a reduction in the value of funds to be retained for replacing and renewing the assets. The written down value is \$608,730.00.

The cost of building applications for the demolition and replacement of buildings will be at the cost of the Committee.

LINK TO CORPORATE/OPERATIONAL PLAN

EC6: Appropriately support and encourage volunteers, advisory groups and community organisations to value add to Council's services and infrastructure.

COMMUNICATION/CONSULTATION (INTERNAL/EXTERNAL)

The Committee have provided an informal presentation to Council on 13 September 2021 to communicate their future plans for the site, and proposed redevelopment, to increase functionality and use of the lease area. Council officers have attended the site on several occasions to support the committee in the project planning. Council's Buildings Asset Management Officer, Land Investigation Officer and Strategic Asset Management Accountant have been consulted.

LEGAL IMPLICATIONS (STATUTORY BASIS, LEGAL RISKS)

The *Local Government Regulation 2012, section 236* provides the exemption to dispose of a valuable non-current asset to a community group without undertaking a tender or auction due to it being in the public interest to dispose of the Land and the Assets.

The Trustee Lease requires the Committee to comply with all Statutory requirements (Clause 6.13) that regulate the occupation and use of the Premises and other areas of the Trust Land. Relevant legislation includes but is not limited to the *Planning Act 2016* and the *Land Act 1994*.

Council can provide Council Officers' time to support the Committee through the building approval process to ensure the demolition of the structures are in accordance with Council's building application for demolishing or removing buildings. The structures to be demolished are unlikely to contain asbestos materials due to their age but will be monitored throughout the project.

POLICY/LOCAL LAW DELEGATION IMPLICATIONS

Disposal of the assets is in accordance with Council's Disposal of Assets Policy and in particular the proposal to dispose meets the policy criteria of (b):

- a) No longer required
- b) Unserviceable or beyond economic repair
- c) Technologically obsolete
- d) Operationally inefficient
- e) Contains any environmentally sensitive or hazardous materials
- f) Surplus to current or immediately foreseeable needs; and
- g) Part of an asset replacement plan

ASSET MANAGEMENT IMPLICATIONS

In accordance with the Trustee Lease, the Committee are obliged to maintain and repair the Premises (clause 7.7) including, all fixtures and fittings, keeping them in good repair and working order without allowance for fair wear and tear.

The obligation of this clause extends to rectifying structural deterioration and damage and rectifying fair wear and tear. A majority of the assets are now at an unviable repair level due to the age of the assets and termite damage.

REPORT**Property details:**

Address: 40 Macalister Street Murgon Qld 4605

RPD: Lot 7 on SP217287

Lease Area: C

Area: 2.21h

Tenure: Reserve for Recreation and Showground

Background:

The Murgon Pastoral, Agricultural & Horticultural Society Inc. are undertaking a review of their current events program and use of their lease areas. Historically, the Committee have been limited to the use of the whole Reserve for the week of the Murgon Show. Due to the limitation of access, space and the impact of COVID-19, the Committee are limited in creating opportunities to increase their financial viability through the hosting of more events. Furthermore, the Committee are striving to reinvigorate the assets and grounds in time for celebrating their 100 years anniversary in 2023.

The Committee are developing a strategic plan to renew key assets to maximise amenities use, self-sufficiency and pedestrian flow. The plan identifies the opportunity to reconfigure new developments

to limit the impact on other lease holders within the Reserve and streamline access to their lease areas.

The Committee have already undertaken a project to renew parts of the poultry shed and remove trees that were increasing the maintenance cost of the shed.

Other short-term projects identified are to:

- Plough the bottom oval for a Rodeo (end October 2021)
- Remove unused cricket pitch
- Install sand arena and fencing
- Undertake painting of the Cattleman's Bar

Further projects and their proposed timing are outlined in the Committee's proposal.

The assets to be transferred are:

Asset Name	Written Down Value
Murgon - Showgrounds - Timber Hut - Sub Structure	\$1,558.74
Murgon - Showgrounds - Timber Hut - Super Structure	\$5,048.80
Murgon - Showgrounds - Timber Hut - Roof Cladding	\$2,450.99
Murgon - Showgrounds - Timber Hut - External Finishes	\$3,786.61
Murgon - Showgrounds - Amenities - Sub Structure	\$7,260.35
Murgon - Showgrounds - Amenities - Super Structure	\$9,801.43
Murgon - Showgrounds - Amenities - Roof Cladding	\$2,339.99
Murgon - Showgrounds - Amenities - Services Plant	\$1,872.02
Murgon - Showgrounds - Cattle Stalls (1) Steel - Super Structure	\$90,113.81
Murgon - Showgrounds - Cattle Stalls (1) Steel - Roof Cladding	\$26,249.48
Murgon - Showgrounds - Timber Cattle Rails under new metal awning - Super Structure	\$239,889.69
Murgon - Showgrounds - Timber Cattle Rails under new metal awning - Roof Cladding	\$69,701.03
Murgon - Showgrounds - Shed 1 - Whole Structure	\$6,043.91
Murgon - Showgrounds - Cattle Stalls (2) - Large Shelter	\$54,124.97
Murgon - Showgrounds - Open sided storage Shelter	\$4,360.79
Murgon - Showgrounds - Portable stockyards	\$9,746.37
Murgon - Showgrounds - Poultry Pavilion	\$46,993.14
Murgon - Showgrounds - Tea Stall & Cattleman's Bar	\$27,388.82
Total	\$608,703.00

Example structure for renewal



ATTACHMENTS

1. Murgon P A & H proposed asset installation
2. Murgon P A & H proposed projects

