

## 6.3.21 Kandos Bicentennial Industrial Museum – Incorporated Association

REPORT BY THE GENERAL MANAGER TO 5 FEBRUARY 2014 COUNCIL MEETING

140205 Council1

GOV400038, P1553611, A0360015

### RECOMMENDATION

**That:**

1. **the report by the General Manager on the Kandos Bicentennial Industrial Museum – Incorporated Association be received;**
2. **Council support the application of Buzz Sanderson/Esme Martens (delete one) to the Department of Fair Trading to be the Public Officer of the Incorporated Association for the Kandos Bicentennial Industrial Museum (KBIM)**
3. **Council allow the Public Officer to nominate a maximum of 5 people to assist with the relocation and storage of collection items to allow renovation.**
4. **Council fund the Department of Fair Trading application fees required to incorporate the association, being \$41 to reserve the name and \$121 to apply for incorporated association status**
5. **Within 30 days of receipt of Incorporated Association status from the NSW Department of Fair Trading, Council require the Public Officer to notify all individuals who expressed an interest in becoming a member of the Incorporated Association of their appointment as members, and hold the first Annual General Meeting of the Incorporated Association.**
6. **Council require the Public Officer to notify it of the Committee Members elected at the Annual General Meeting within 7 days of the meeting. The Annual General Meeting shall appoint the necessary committee members and officers bearers as required.**
7. **Upon receipt of committee member election results, Council process the transfer of ownership of the KBIM to the Incorporated Association**
8. **Council seek legal advice and take appropriate action to ensure that, in the event that the Incorporated Association should close, the ownership of the KBIM be transferred to NSW Museums and Galleries Association or equivalent body.**
9. **Council acknowledge that transfer of ownership of the KBIM will be completed by 1st June 2014, and that the KBIM Committee be permitted to set the reopening date, though requiring it to be at the latest 1 month prior to the Kandos Centenary events currently being planned.**
10. **Council fund the insurance of the Incorporated Association to the value of \$7911.55 for 3 years, and Council's commitment to continue this funding be reassessed after that 3 year period.**

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11. **Council fund the rate relief of the Incorporated Association for 3 years, and Council's commitment to continue this funding be reassessed after that 3 year period.**
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## Executive summary

At its 4 December 2013, Council resolved to support the formation of an Incorporated Association (IA) for the Kandos Bicentennial Industrial Museum (KBIM). This report details the action taken to date and still required to ensure that the IA is formed and transfer of ownership of the KBIM is completed by 30 June 2014.

## Detailed report

### Resolution of Council - 4 December 2013

At its meeting on 4 December 2013, Council resolved the following:

*That:*

1. *the report by the General Manager on the Kandos Museum Operational Options be received;*
2. *Council undertake the building works to the value of \$95,542 to be funded as follows:*
  - *Asset Management Reserve budget \$73,382*
  - *Current Operations budget for KBIM \$10,000*
  - *Kandos Museum Building Reserve Fund \$12,160*
  - *and the 2013/14 Operational Plan be amended accordingly;*
3. *Council acknowledge that the KBIM will be open again from the 1 June 2014;*
4. *Expressions of interest be called for individuals interested in forming an Incorporated Association to operate the KBIM from its opening day before 1 June 2014. The Council to receive the expressions of interest and appoint the individuals to the Incorporated Association;*
5. *Council prepare a newsletter to the Kandos residents informing them of the upgrade works and the expressions of interest process for the new Incorporated Association;*
6. *the Kandos KBIM at 22 Buchanan Street, and the adjoining property of 20 Buchanan Street, be gifted to the Incorporated Association;*
7. *should the executors of the estate of the late Phyllis Simpkins be agreeable, the KBIM proportion of that bequest be allocated to the new Incorporated Association to assist with their management of the facility;*
8. *Council continues to fund the annual rates and insurance costs for the KBIM site and the new Incorporated Association be encouraged to dispose of the vacant block at 20 Buchanan Street. The proceeds from the sale of the vacant block to remain with the Incorporated Association for them to expend how the Incorporated Association consider appropriate;*

9. *Council make application to the Regional Visitor Economy Fund for a grant to match dollar for dollar Council's financial input into the building upgrade.*

### **Building Works**

Planning for the building works is underway, and interior works will begin once the Public Officer for the IA is appointed. The Public Officer will be called upon for advice and guidance on the relocation and storage of the collected whilst internal renovations are carried out at the KBIM.

Once the Public Officer is nominated, it is acknowledged that there will be significant effort required to facilitate the relocation of the collection for the renovation of the KBIM. It is therefore recommended that Council allow the Public Officer to nominate 5 people to whom access will be granted to the KBIM for the purposes of collection storage and relocation only.

### **Opening Date of Museum**

At its December meeting, Council acknowledged that the KBIM will be open again from 1 June 2014. There will be considerable administrative and collection work to be undertaken by the newly formed IA prior to the reopening of the KBIM, and it is considered the IA should be able to determine the opening date subject to it occurring on month prior to the Kandos Centenary Events.

Concerns regarding the proposed opening date have been raised by potential members of the IA during the Expression of Interest process. In setting the opening date in the previous Council report it was the intention that all work by Council and the transfer of ownership occur before 1 June 2014. It is therefore recommended that Council acknowledge that transfer of ownership to the IA will be completed by 30 June 2014, and that the KBIM Committee be permitted to set the reopening date of the KBIM, though requiring it to be at the latest, 1 month prior to the Kandos Centenary events currently being planned.

### **Expressions of Interest and Newsletter**

On the 13<sup>th</sup> December 2013, Council placed Expression of Interest advertisements in the Mudgee Guardian and on its website, calling for Public Officer and membership nominations. The Expressions of Interests closed on 17 January 2014.

During that time, the attached flyer was also posted to each household in the Rylstone and Kandos localities.

### **Public Officer Nominations**

Council received 2 nominations for Public Officer (applications are attached to this report)

- Buzz Sanderson
- Esme Martens

### **Membership Expressions of Interest**

Council received 32 nominations for membership of the IA

- Denise Jamieson
- Ian Douglas
- John Medcalf
- Jolieske Lips
- Jenny Brown
- Sue Honeysett
- Toby Dupree
- Kate Hodgkinson
- David Honeysett
- T.L Ford

- Peter Monaghan
- Alex Wisser
- Margot Palk
- Hillary Crawford
- Pamela O'Connor
- Julie Murray
- Gregory Sky
- Jo Brown
- Robert Tomlinson
- Daniel Hatton
- Fiona McDonald
- Daryl Clapham
- Keith Smith
- Colin Jones
- Lynette Syme
- Kenneth Hopkins
- Ann Finnegan
- Kevin Williams
- Hugh Malone
- Margaret Malone
- Samantha Madell
- Robyn Cafe
- Jennifer More
- James Nutting
- Esme Martens

As part of these nominations, some people indicated support for Buzz Sanderson whilst others supported Esme Martens as Public Officer. These nominations and support are attached to this report. All of these 35 individuals will be appointed members of the IA when its status is confirmed by the Department of Fair Trading.

### Department of Fair Trading Requirements

The Department of Fair Trading (DFT) requires:

- The Public Officer to reserve a name for the IA using Form A1 on the DFT's website, and pay the \$42 fee associated with this. It is recommended that Council cover the cost of this application.
- The Public Officer to complete an application for registration of an IA using form A2 on the DFT's website, and pay the association \$121 fee association with this. . It is recommended that Council cover the cost of this application.
- The Public Officer to elect to adopt the DFT's model constitution, or a copy of an alternative proposed constitution.

The application for the IA will be made using the DFT's model constitution, as it covers all matters required by the *Associations Incorporation Act 2009*. The newly formed IA may elect to adopt an alternate constitution if and when it sees fit.

### Annual General Meeting

Upon confirmation of the IA status, Council will require an Annual General Meeting (AGM) of members within 30 days, so that a committee may be elected. The 30 day requirement is to facilitate completion of the KBIM transfer by 1st June 2014. To facilitate the AGM, the Public Officer will be required to notify in writing all those who expressed an interest in being members of their appointment to the IA, as well as notice of the Annual General Meeting.

Within 7 days of the AGM, the Public Officer will be required to provide Council with a copy of the AGM minutes, which will detail the election of committee members. The Model Constitution provides the following

- 14.1 The committee is to consist of:
  - a. the office bearers of the association, and
  - b. at least 3 ordinary committee members.
- 14.2 The total number of committee members is to be 7
- 14.3 The office-bearers of the association are as follows:

- a. the president
- b. the vice-president
- c. the treasurer
- d. the secretary

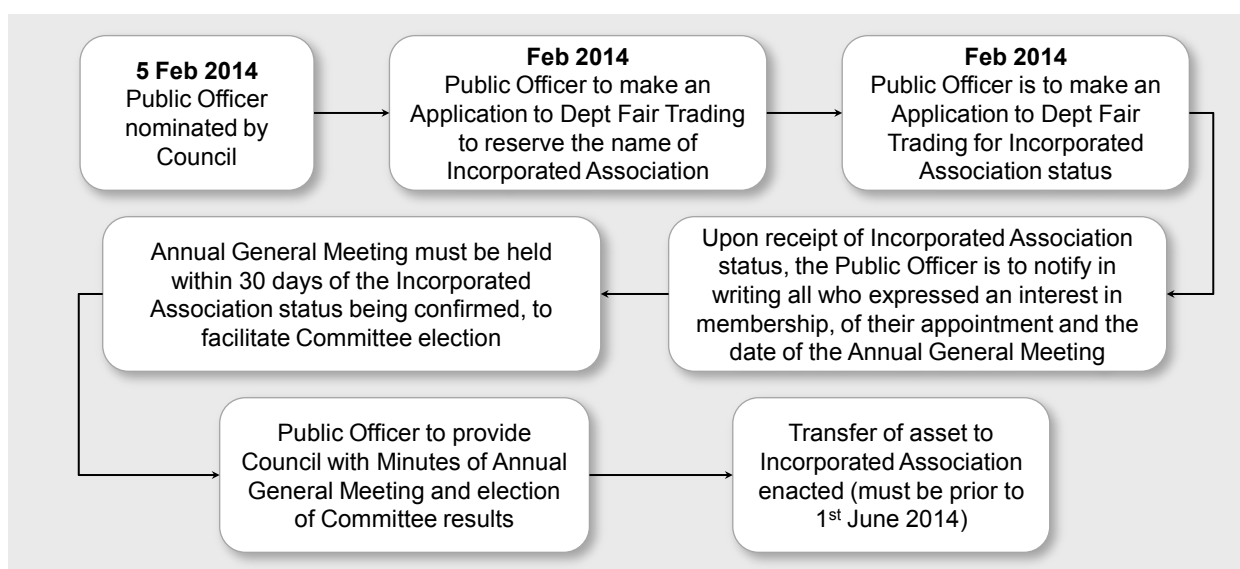
### Property Transfer

The appropriate actions will be taken to ensure that ownership of the KBIM and its adjoining block are transferred to the IA when Council is advised of the committee of the IA. Legal advice will be sought and the appropriate instrument drafted to provide that, in the event that the IA should close, that ownership of the KBIM is transferred to NSW Museums and Gallery's Association or equivalent body..

Should closure of the IA occur, Council may wish to pursue granting of ownership to a regional cultural or museum body, or may elect to pursue the permanent closure and sale of the KBIM site.

### Summary of Incorporated Association process

Below is a flowchart to briefly summarise the process and steps that will satisfy the NSW Department of Fair Trading and Council in order to incorporate the association.



### Kandos Museum Community Meeting

On Thursday 9 January 2014, a Kandos Museum Community Meeting was held at the Kandos Country Women's Association, chaired by Peter Monaghan, with 38 attendees. The minutes of that meeting and a list of attendees is attached to this report. Since that meeting, Mr Monaghan has also provided an Options Paper summarising the sentiments of the community meeting, and the document is attached for the information of Council. While the community group would like to see an interim committee established, it is felt that the Public Officer, with the assistance of 5 others, will be sufficient to assist with the storage and renovation process. The AGM will be held within 30 days of the incorporated association status being confirmed, ensuring that the committee and office bearers will be quickly elected and able to begin preparation and planning for reopening.

## Financial and Operational Plan implications

### **Insurance**

A quotation has been obtained from Council brokers for insurance as detailed below. The premium quoted, including the administrative fee is \$7911.55. It is recommended that Council commit to providing the IA with \$7911.55 for the purposes of insurance for 3 years, and reassess that commitment after that time.

<b>Insurance</b>	<b>To the value of</b>
Fire and Perils	\$1,386,000
Burglary with forcible entry	\$30,000
Machinery breakdown	\$1,000
Fidelity	\$500
Electronic equipment	\$1,000
Money	\$2,000
Public liability	\$20 million

### **Rate Relief**

It is recommended that Council commit to providing the IA with rate relief for the properties known as 20 and 22 Buchanan St Kandos. In 2013/14, the annual rate notice was \$883.20. Council commit to payment of rates for 3 years, and reassess that commitment after that time.

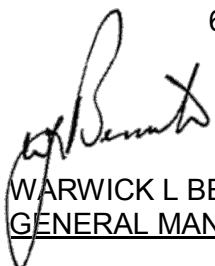
## Community Plan implications

Not applicable.

20 January 2014

*Attachments:* (included at the end of the business paper):

1. KBIM Flyer
2. KBIM Nomination of Public Officer - Buzz Sanderson
3. KBIM Nomination of Public Officer – Esme Martens
4. KBIM Expressions of Interest for Membership
5. KBIM Community Meeting minutes
6. KBIM Community Meeting Options Paper



WARWICK L BENNETT  
GENERAL MANAGER