

## 9.5 Cudgegong Community Education and Fire Control Centre

REPORT BY THE CHIEF FINANCIAL OFFICER  
TO 03 NOVEMBER 2021 ORDINARY MEETING  
GOV400088, A0150068

### RECOMMENDATION

#### That Council:

1. **receive the report by the Chief Financial Officer on the Cudgegong Community Education and Fire Control Centre;**
2. **authorise the General Manager to negotiate terms, finalise and sign the Heads of agreement – Cudgegong Community Education and Fire Control Centre (FCC) Project;**
3. **amend the 2021/22 Budget to include \$3,500,000 for construction of the FCC, funded by reimbursement through the Rural Fire Fighting Fund; and**
4. **amend the 2022/23 Budget to include \$5,500,000 for construction of the FCC, funded by reimbursement through the Rural Fire Fighting Fund.**

### Executive summary

The Rural Fire Services (RFS) have budgeted to construct a new Fire Control Centre (FCC) and Community Education (CE) facility at lots 201 & 202 DP 1210399. This report seeks to endorse entering into a Draft Heads of Agreement (HoA), and authorise the General Manager to finalise and sign the HoA.

### Disclosure of Interest

Nil.

### Detailed report

The RFS are constructing a new fit for purpose FCC and CE located adjacent to the airport entry way in Mudgee. Although this is an RFS funded and operated facility, it is vested in Council and therefore a joint project.

On commencement of the project, all parties will appoint representatives to establish a Project Control Group (PCG) which will meet monthly (or such other times as agreed) until practical completion of the Works. The PCG will be the executive management vehicle for the Project.

The facility will meet the expanding needs of the local community, and Councils involvement will include engaging a contractor and managing the payments, claims and financial progress reporting.

The HoA set out the process for implementing this project until such time as a Development and Occupancy Agreement can be entered into for full management of the facility.

Council supports the delivery of this improved facility within the MWRC.

It should be noted that when the facility is complete and RFS have relocated control operations to the new FCC, the existing building will transfer to Council ownership and use.

## Community Plan implications

<b>Theme</b>	<b>Looking After Our Community</b>
Goal	Effective and efficient delivery of infrastructure
Strategy	Provide infrastructure and services to cater for the current and future needs of our community

## Strategic implications

### Council Strategies

Not Applicable.

### Council Policies

Not Applicable.

### Legislation

Rural Fires Act 1997 (NSW).

## Financial implications

The construction of the FCC will be fully funded by the Rural Fire Fighting Fund (RFFF), which Council contributes to through the Rural Fire Service Levies annually. A budget is recommended to allow for the expenditure and reimbursement of this facility construction at \$9.5 million over two financial years.

The FCC will be vested in Council as per the Rural Fires Act, and will be managed in line with the Rural Fire Service District Agreement between NSW RFS and MWRC.

Operational budgets are allowed for, through the RFFF process, noting Councils required contribution at 11.7% through the Rural Fire Service Levies. Any impact to the operating budget will be implemented through the annual budget setting process, and is currently unknown by Council.

<b>Budget Year</b>	<b>Operating Performance Ratio</b>	<b>Own Source Revenue</b>	<b>Building &amp; Infrastructure Renewal</b>
<b>2019/20</b>	-	X	-
<b>Future Years</b>	-	X	X

## Associated Risks

This HoA is not legally binding, and some risk exists around the nature of this agreement. The document ensures that both parties act in good faith, and risk to Council is deemed low.

LEONIE JOHNSON  
CHIEF FINANCIAL OFFICER

19 October 2021

*Attachments:* 1. DRAFT Heads of Agreement FCC. (Confidential - separately attached)

APPROVED FOR SUBMISSION:

BRAD CAM  
GENERAL MANAGER