

6.2.3 SCS - Red-Boyd Catchment

Responsible GM: Peter Benazic Author: Donna Bird

Recommendation(s)

That Council:

- That Council notes that following the issue of the notice of decision by Council to declare a
 special charge scheme on 16 May 2022, to part fund the construction of Red Road, Boyd
 Road, Ramage Lane, Ritchie Street and Williamson Road Gembrook, no submissions were
 received by Council in the prescribed 28 day submission period following advertising this
 decision
- 2. That a special charge in accordance with Section 163 of the Local Government, 1989 (the Act) be declared as follows:
 - a. A special charge is declared for a period until the works have been completed and the scheme finalised.
 - b. The special charge be declared for the purposes of defraying any expenses incurred by Council in relation to the construction of Red Road, Boyd Road, Ramage Lane, Ritchie Street, Williamson Road Gembrook including sealed road pavement, kerb & channel and associated drainage and incidental works. Council considers that these works will be of special benefit to those persons required to pay the special charge, (and who are described in succeeding parts of this resolution).
 - c. The special benefit accruing to those properties to be levied is considered to include improved access, improved amenity and appearance, improved roadside drainage, reduced mud and dust, reduced erosion and lessened nuisance.
 - d. The following be specified as the area for which the special charge is declared:
 - i. All those properties described in attachment 4 of this report and as highlighted on the plan included as attachment 2.
 - e. The following be specified as the land in relation to which the special charge is declared:
 - i. All properties described in attachment 4 of this declaration.
 - f. The following be specified as the criteria which form the basis of the special charge so declared:
 - i. Those properties fronting, abutting or adjacent to the works.
 - g. The following be specified as the manner in which the special charge so declared will be assessed and levied:
 - Existing lots, either developed or vacant, that gain, or will gain, primary (vehicular)
 access from a road being constructed would generally be required to contribute
 one benefit unit.
 - ii. Existing lots, either developed or vacant, with side or rear abuttal to a road being constructed would generally be required to contribute one half benefit unit.
 - iii. Existing lots, either developed or vacant, that gain, or will gain, primary access and also have side or rear abuttal to roads being constructed would generally be required to contribute one benefit unit.
 - iv. Existing lots that have the potential to be further subdivided or developed may be allocated a multiple development benefit unit charge.
 - v. The special charge will be levied by sending a notice to the person who is liable to pay, pursuant to Section 163 (4) of the Local Government Act, 1989.



- h. The total cost of the works is the amount shown in attachment 4 of this report estimated at \$5,860,000.00.
- i. The total amount of the special charge to be levied is the amount shown in attachment 4 of this report estimated at \$ 444,500.00.
- j. Having regard to the proceeding parts of this resolution but subject to Sections 166(1) and 167(6) of the Local Government Act, 1989, it is recorded that:
 - i. The owners of the land described in columns A and B of the table in attachment 4 are estimated liable for the respective amounts set out in column F of the table in attachment 4 and:
 - ii. Such owners may, subject to any further resolution of Council pay the special charge in the following manner:
 - The charge will become due and payable within one month of the issue of the notice requesting payment pursuant to Section 167(3) of the Local Government Act, 1989.
 - The charge may be paid by:
 - Lump sum within one month of the issue of the notice without incurring interest, or
 - Quarterly instalments of principal and interest over a period of up to seven years.
 - Interest will not be charged for three months after the issue of the notice provided the person liable makes timely payment in accordance with the payment arrangements that may be agreed on by Council.
 - In accordance with Sections 167(6)(b) and 172 of the Act, the rate of interest which is payable on instalments is set at the 180 day bank bill rate as published in the Australian Financial Review plus one percent and reviewed every three months, (provided that it will not exceed the rate fixed by the Governor in Council by order of the purposes of Section 172(2A) in which case the rate of interest shall be the maximum rate fixed by the Governor in Council by order for the purposes of this section).
- k. There are no incentives for prompt payment, rebates or concessions associated with this special charge.

Attachments

- 1. Red Boyd Apportionment 1 [6.2.3.1 6 pages]
- 2. Red Boyd Road Gembrook Catchment Concept Plans [6.2.3.2 25 pages]
- 3. Checklist Red Boyd [**6.2.3.3** 1 page]
- 4. Red Boyd Maps [**6.2.3.4** 3 pages]

Executive Summary

This report proposes to have a special charge declared to part fund the construction of Red Road, Boyd Road, Ramage Lane, Ritchie Street and Williamson Road Gembrook. It follows Council's resolution of 16 May 2022 to communicate its intention to declare a special charge for this purpose.

The Red Road, Boyd Road, Ramage Lane, Ritchie Street and Williamson Road Gembrook catchment is included in the Australian Government funded Sealing the Hills program. A recent survey of the property owners in the indicated roads in this catchment indicated 87.5% property owner support to contributing to a scheme from the responses received. Included property owners will receive special benefit as a result of the works including improved



resident amenity, reduction in dust and associated health issues, improved drainage, less wear and tear on vehicles, reduced road maintenance costs and overall improved liveability.

The preliminary estimated cost of the proposed works is \$5,860,000.00 of which \$444,500.00 is proposed to be funded via the proposed special charge contribution received from the included property owners. This will leave an approximate balance of \$5,415,500.00 to be funded from the Australian Government grant.

Property owner contributions have been assessed based on the benefit gained by each existing developed or vacant allotment, capped by Council at \$7,000 per benefit unit, (refer to benefit unit definition below). Councils special rates and charges policy provides for levies to be paid in quarterly instalments that include principle and interest. For the Sealing the Hills program it has been decided that a maximum 7-year payment period be adopted. The financial hardship provisions of this policy provide further relief to those owners demonstrating genuine financial hardship.

Following Council's resolution on 16 May 2022 included property owners were notified of the intention to declare a special charge by mail and by advertisement in the Pakenham Gazette and Hills Trader. No submissions were received in the prescribed 28-day submission period.

Background

The Red-Boyd catchment that includes Red Road, Boyd Road, Ramage Lane, Ritchie Street and Williamson Road Gembrook is included for construction in Council's Sealing the Hills program. The properties included are shown on the plan included as attachment 2 to this report.

A survey of the property owners within the scheme boundary, (total of 67), was undertaken asking if they were in support of contributing to a special charge scheme at a capped contribution rate of \$7,000 per benefit unit, with a benefit unit being defined as:

- Existing lots, either developed or vacant, that gain, or will gain, primary (vehicular) access from a road being constructed would generally be required to contribute one benefit unit (\$7,000) towards the cost of construction.
- Existing lots, either developed or vacant, with side or rear abuttal to a road being constructed would generally be required to contribute one half benefit unit (\$3,500) towards the cost of construction.
- Existing lots, either developed or vacant, that gain, or will gain, primary access and have side or rear abuttal to roads being constructed would generally be required to contribute one benefit unit (\$7,000) in total
- Existing lots that have the potential to be further subdivided or developed may be allocated a multiple development benefit unit charge.

Table 1. Questionnaire responses

	Number	Percentage
Total no. properties in scheme	67	100%
No. of responses received	24	35.82%
No. of responses supporting the scheme	21	87.5%
No. of responses opposing the scheme	3	12.5%



Following consideration of the survey responses a special charge scheme has been prepared to part fund the construction of Red Road, Boyd Road, Ramage Lane, Ritchie Street and Williamson Road Gembrook.

Following Council's resolution on 16 May 2022 affected property owners were notified of the intention to declare a special charge scheme.

Policy Implications

The proposed special charge scheme has been developed in accordance with the provisions of the Local Government Act, Cardinia Councils Special Rate and Charge Policy and the adopted Sealing the Hills program. It is based on community benefit, health, safety, amenity and property owner support.

Section 163 of the Local Government Act provides that Council may not recover a greater portion of the cost of the works than calculated in accordance with the statutory 'benefit ratio' as set out in the previous notice of decision report presented to Council on 16 May 2022. Given that Council has capped the property owner contribution at \$7,000 per benefit unit, the proposed scheme is compliant.

Relevance to Council Plan

2.1 We support the creation of liveable spaces and places

2.1.5 Upgrade Council's road network to improve safety and connectivity while considering traffic demand and freight transport needs.

Climate Emergency Consideration

The Sealing the Hills project will consider climate emergency reduction measures such as:

- minimising tree removal through innovative road design
- use of LED lighting to reduce energy emissions
- utilising local contractors and local road & drainage construction materials to minimise travel
- investigating the reuse and use of recycled road construction materials

Consultation/Communication

A letter was sent in February 2022 to the property owners of Red Road, Boyd Road, Ramage Lane, Ritchie Street and Williamson Road Gembrook outlining specifics in relation to their inclusion in the Sealing the Hills program and the associated special charge scheme proposal.

As a consequent of Covid 19 restrictions, no face to face community consultation could be undertaken. However, property owners were provided with the opportunity to speak directly to the project engineering and special charge scheme staff and to view the preliminary construction plans and special charge scheme information online.

In March 2022 a questionnaire was mailed to property owners asking them to indicate their support/opposition to contributing to a special charge scheme at the capped rate of \$7,000 per benefit unit. As outlined above 24 questionnaire responses from 67 properties were received.

Following the Council resolution on 16 May 2022 where notice of decision was resolved to issue a notice of intention to declare a special charge, property owners were sent a letter and



advertisements outlining the proposal placed in the Pakenham Gazette and Hills Trader, providing owners with the opportunity to make a submission or objection within the prescribed 28-day period.

Financial and Resource Implications

The scheme funding arrangements are as outlined in Table 2.

Table 2. Preliminary estimated cost of project

Total estimated cost of scheme	\$5,860,000.00
Total Council contribution (approx. 92.4%)	\$5,415,500.00
Benefiting property owner contribution (approx. 7.6) %	\$444,500.00

Note: the estimated project cost includes an allowance of 15% for design, supervision and administration of the scheme.

The Australian Government \$150m grant will be used to fund Council's contribution.

Property owners will be offered the option of paying their contribution in full, or by quarterly instalments over 7-years. Instalment payments will include principle and interest, with interest calculated at the declaration of the scheme based on Council's borrowing rate at the time plus one percent.

Council will require the first payment, either in full or by instalment to be made within 6-months of the practical completion of the works.

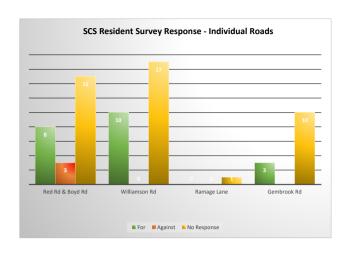
Conclusion

That Council proceed to declare a special charge over the properties listed in attachment 4 to part fund the construction of Red Road, Boyd Road, Ramage Lane, Ritchie Street and Williamson Road Gembrook including a sealed road pavement, kerb and channel and associated drainage and ancillary works, generally in accordance with the concept plans included in attachments 3.

42 Williamson Rd			1
69 Williamson Rd			1
23 Williamson Rd			1
5 Williamson Rd	1		
60 Williamson Rd			1
15 Williamson Rd			1
43 Williamson Rd			1
73 Williamson Rd	1		
Total	10	0	17
5 Ramage Lane			1
Total	0	0	1
175 Gembrook Rd			1
137 Gembrook Rd			1
145 Gembrook Rd			1
197 Gembrook Rd			1
185 Gembrook Rd			1
135 Gembrook Rd	1		
133 Gembrook Rd	1		
171 Gembrook Rd			1
191 Gembrook Rd			1
Gembrook Rd	1		
147 Gembrook Rd			1
183 Gembrook Rd			1
195 Gembrook Rd			1
Total	3	0	10

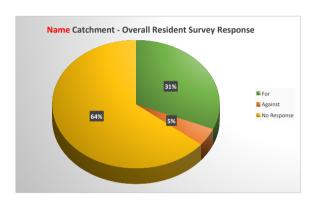
Individual Roads Graph

Road	For	Against	No Response
Red Rd & Boyd Rd	8	3	15
Williamson Rd	10	0	17
Ramage Lane	0	0	1
Gembrook Rd	3	0	10



Overall Response for Catchment

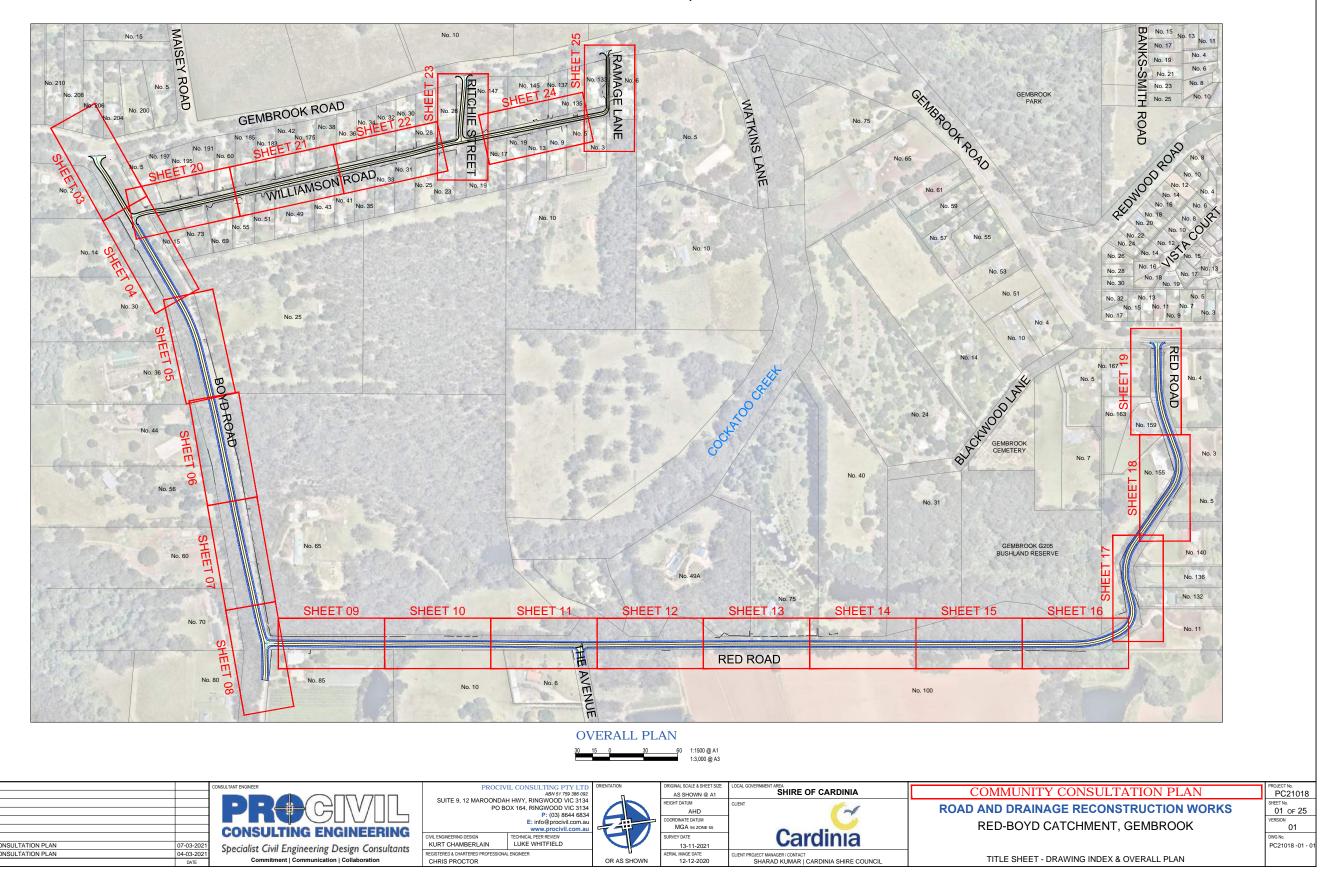
For	21
Against	3
No Response	43



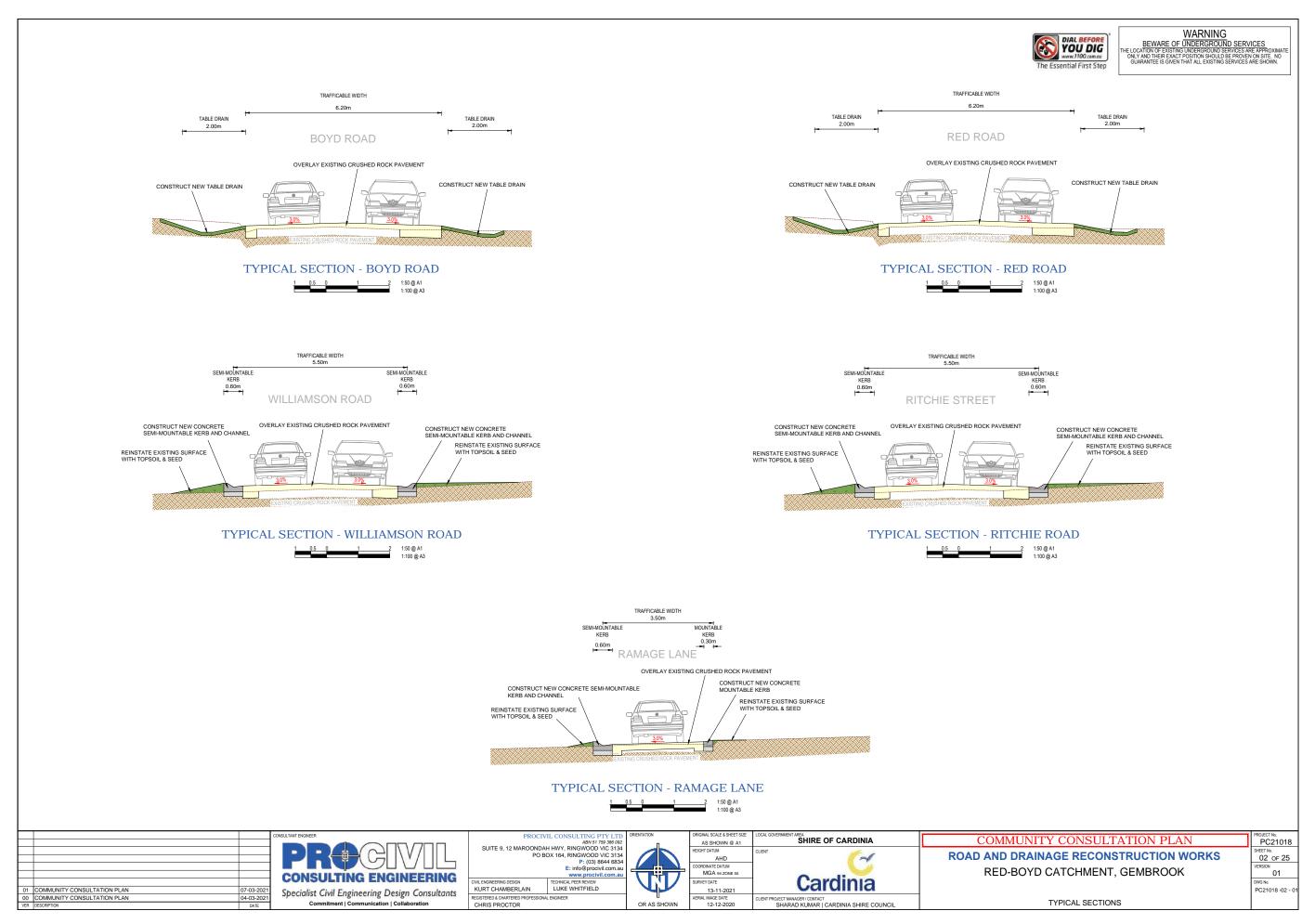
ROAD AND DRAINAGE RECONSTRUCTION WORKS

DRAWING INDEX SHEET TITLE No. 1 TITLE SHEET - DRAWING INDEX & OVERALL PLAN 2 TYPICAL SECTIONS 3 - 25 GENERAL LAYOUT PLAN

RED-BOYD CATCHMENT, GEMBROOK

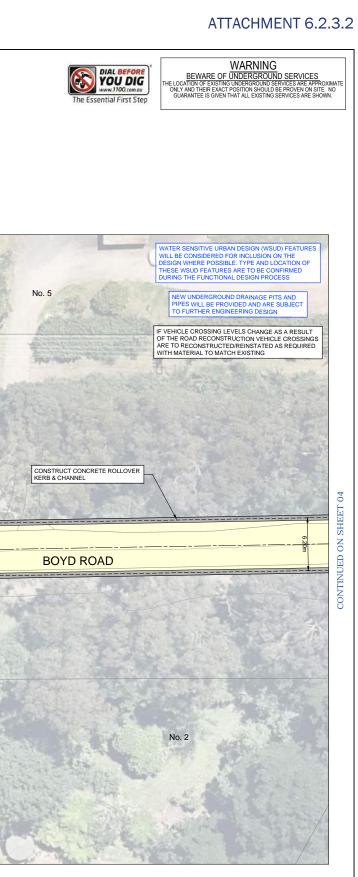


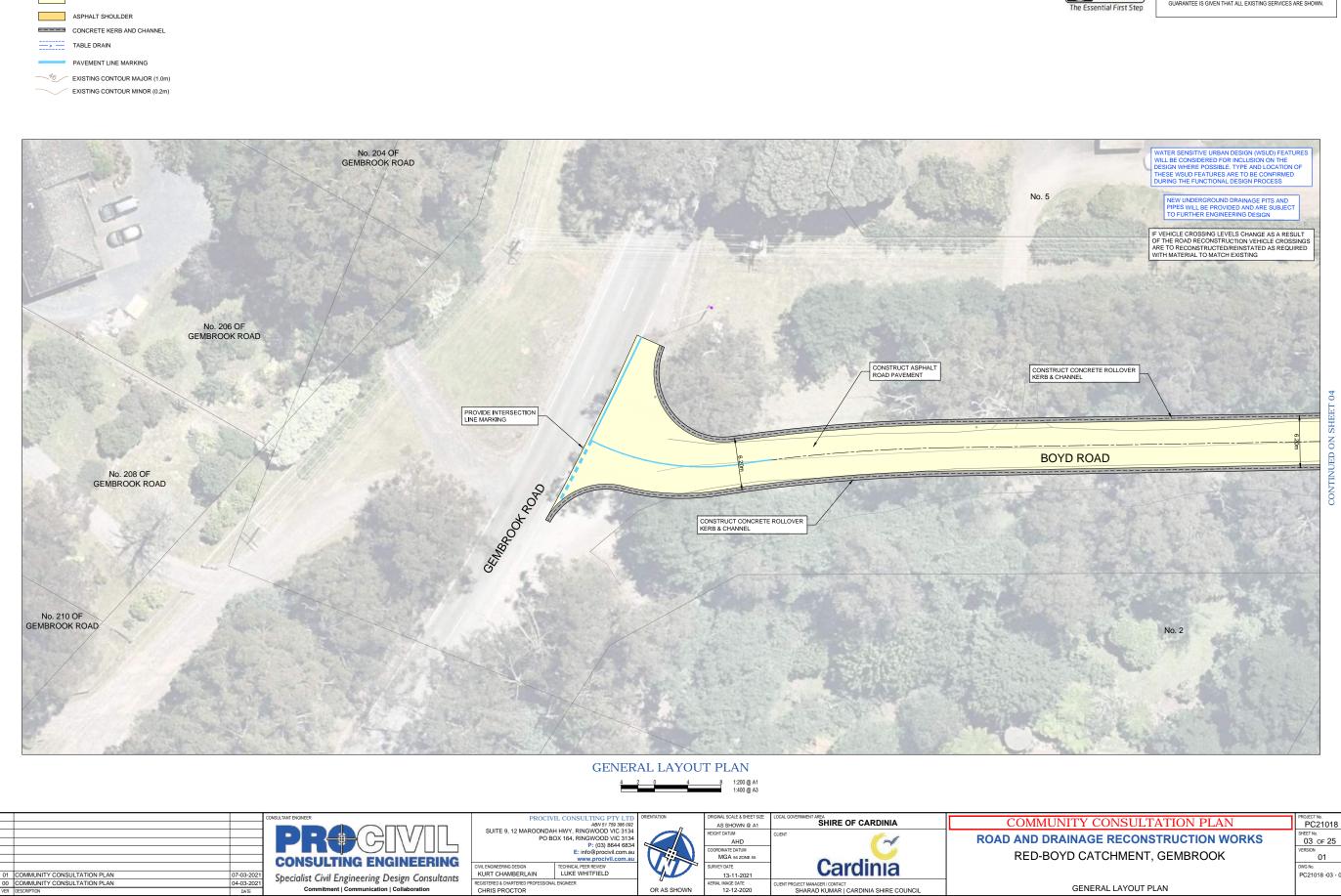
ORDINARY COUNCIL MEETING 15 AUGUST 2022 ATTACHMENT 6.2.3.2

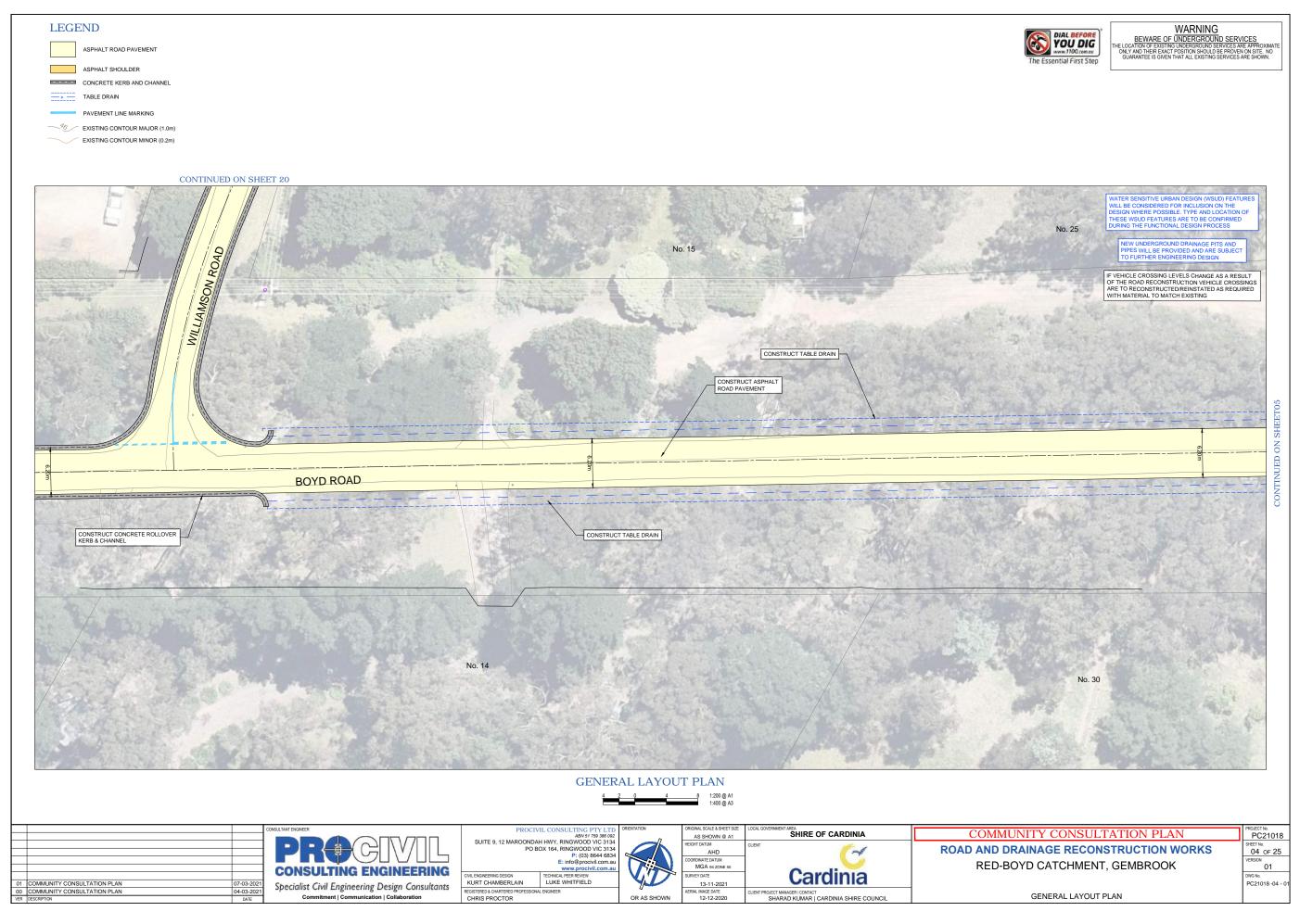


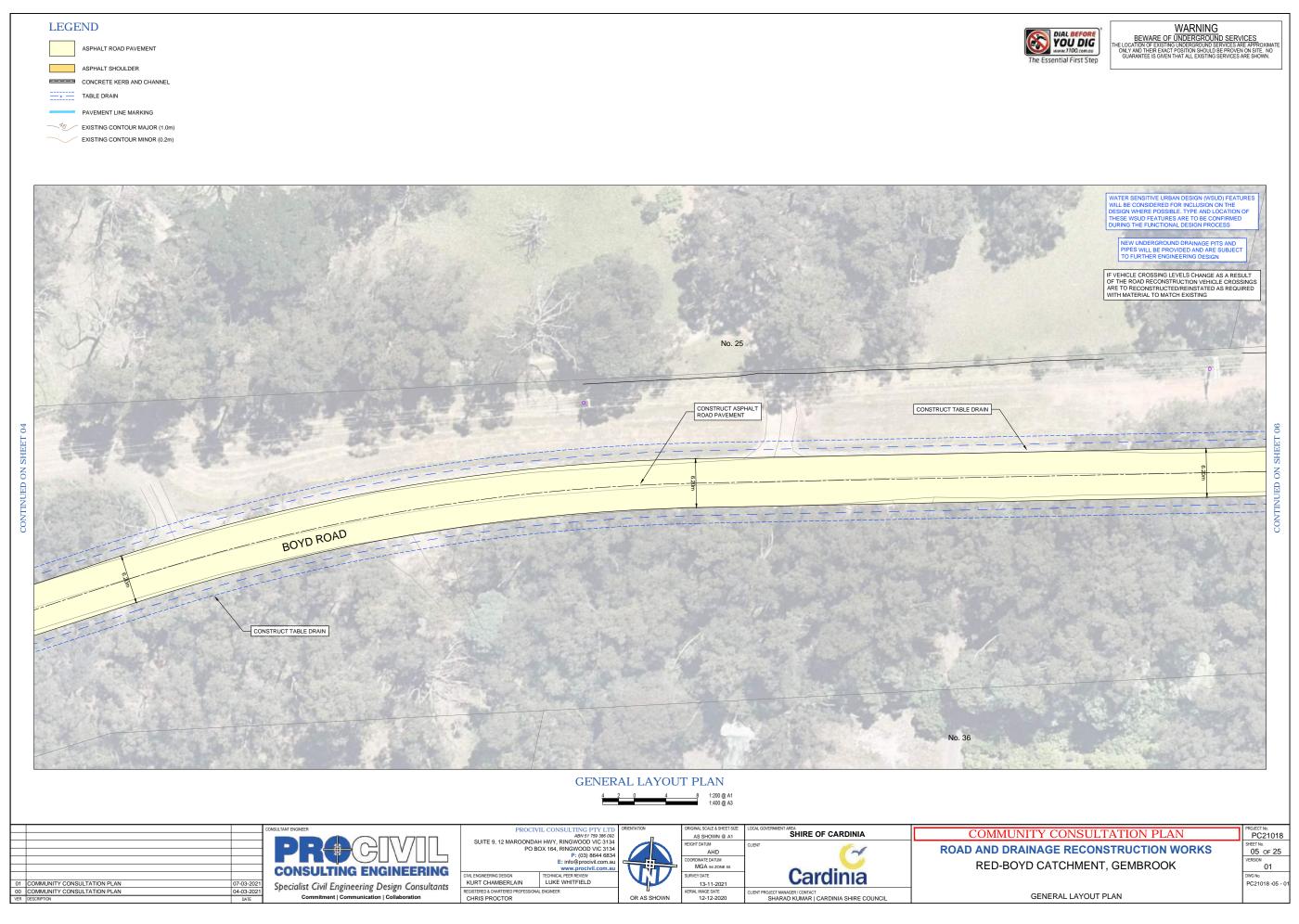
LEGEND

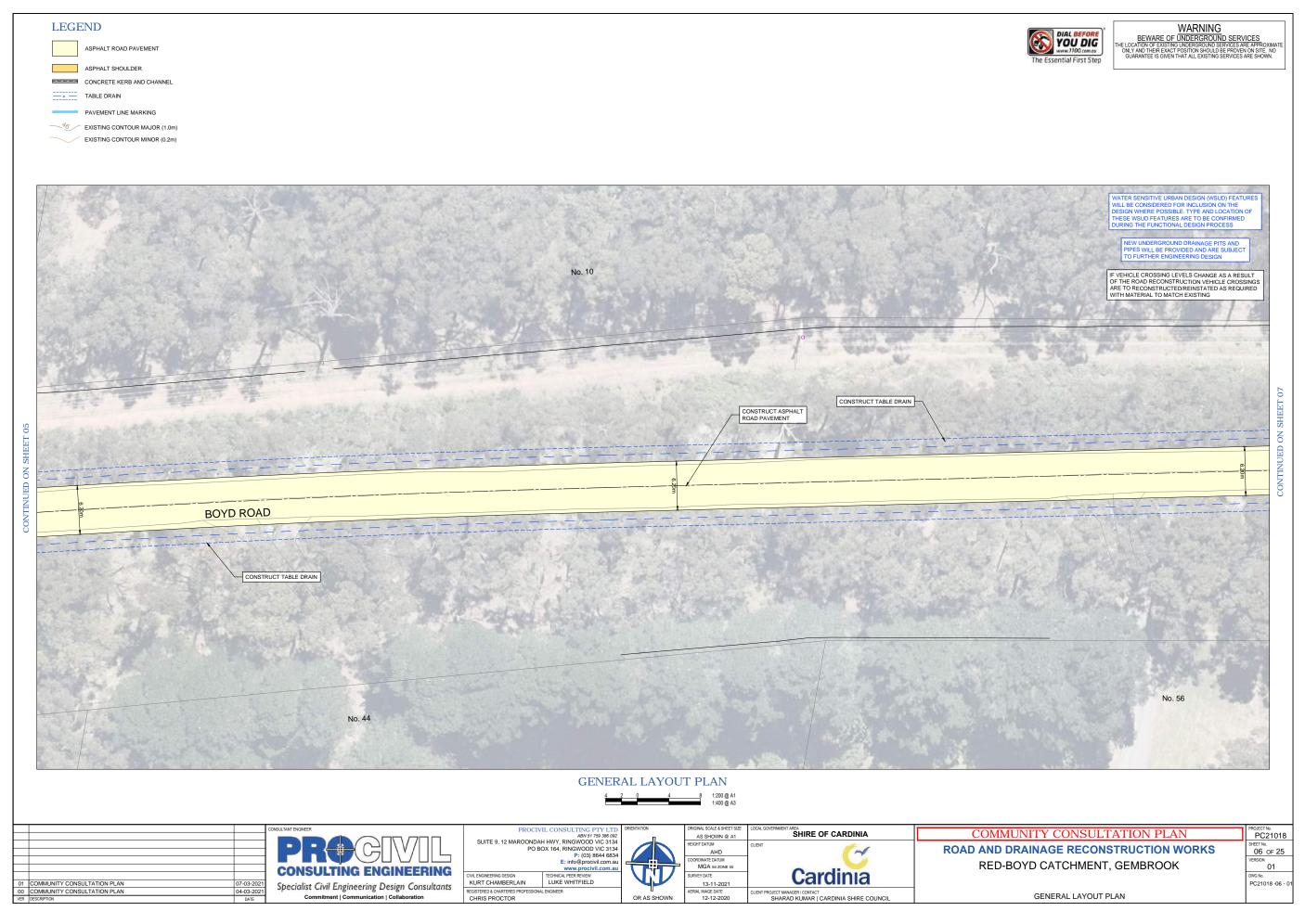
ASPHALT ROAD PAVEMENT

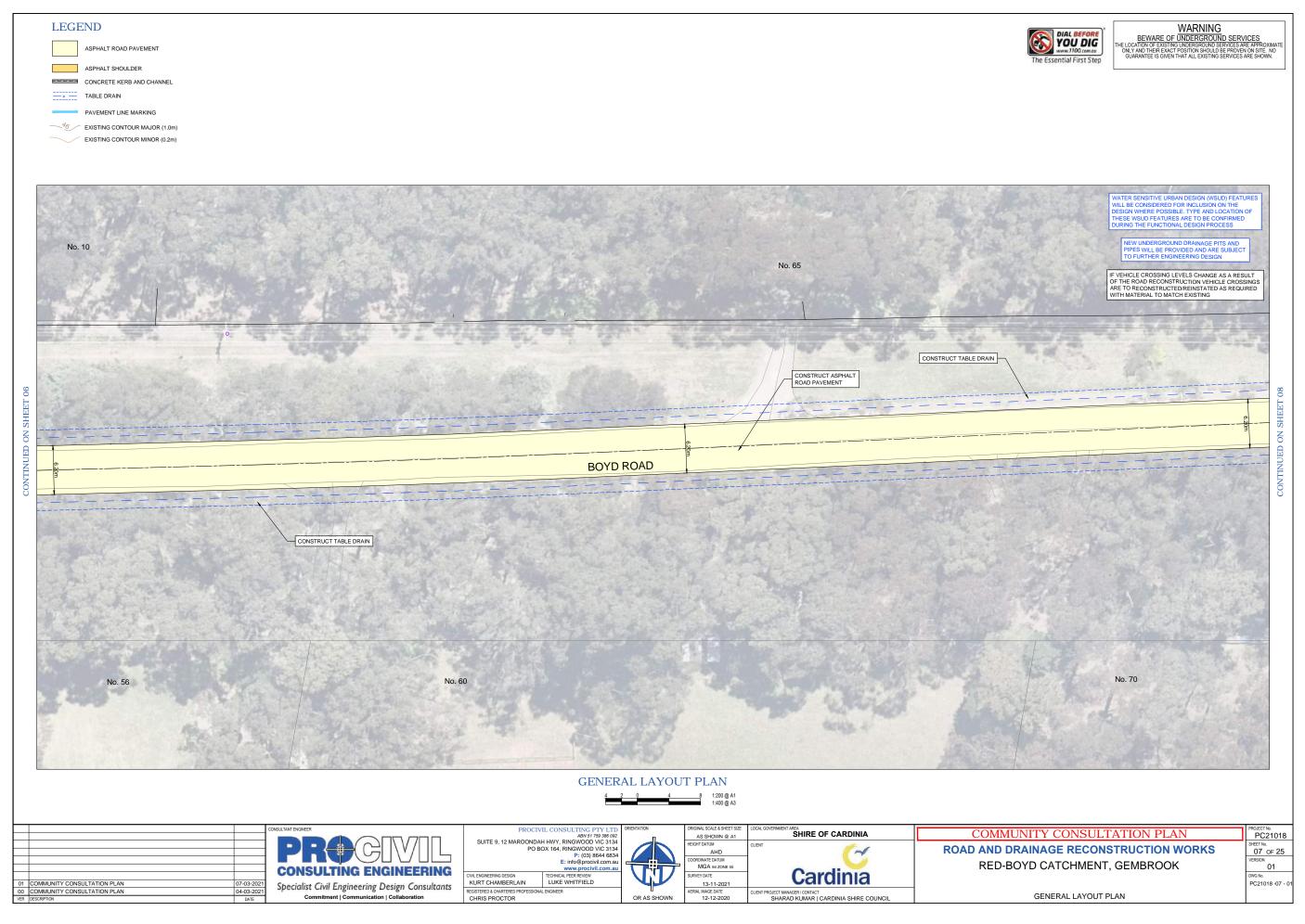


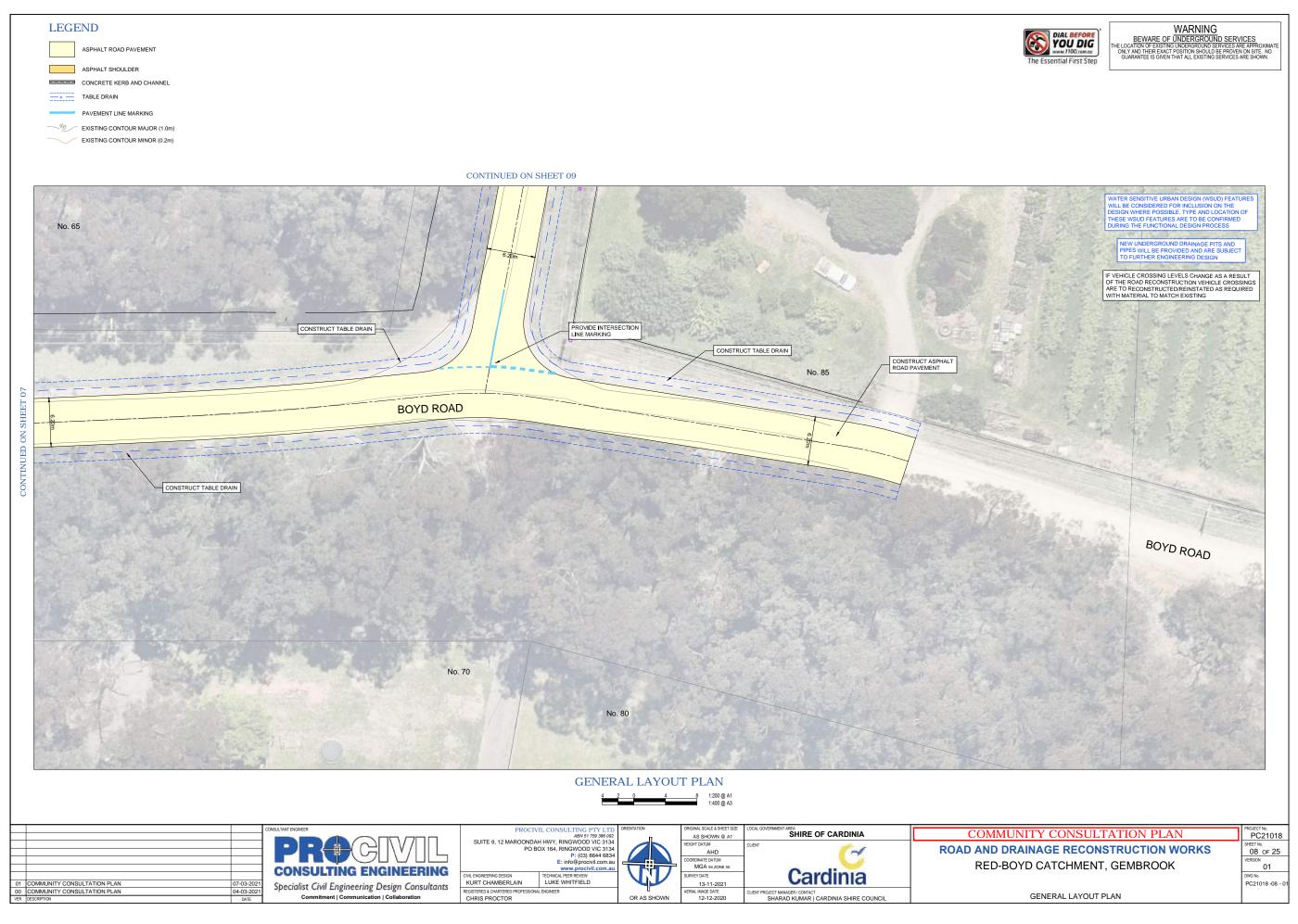


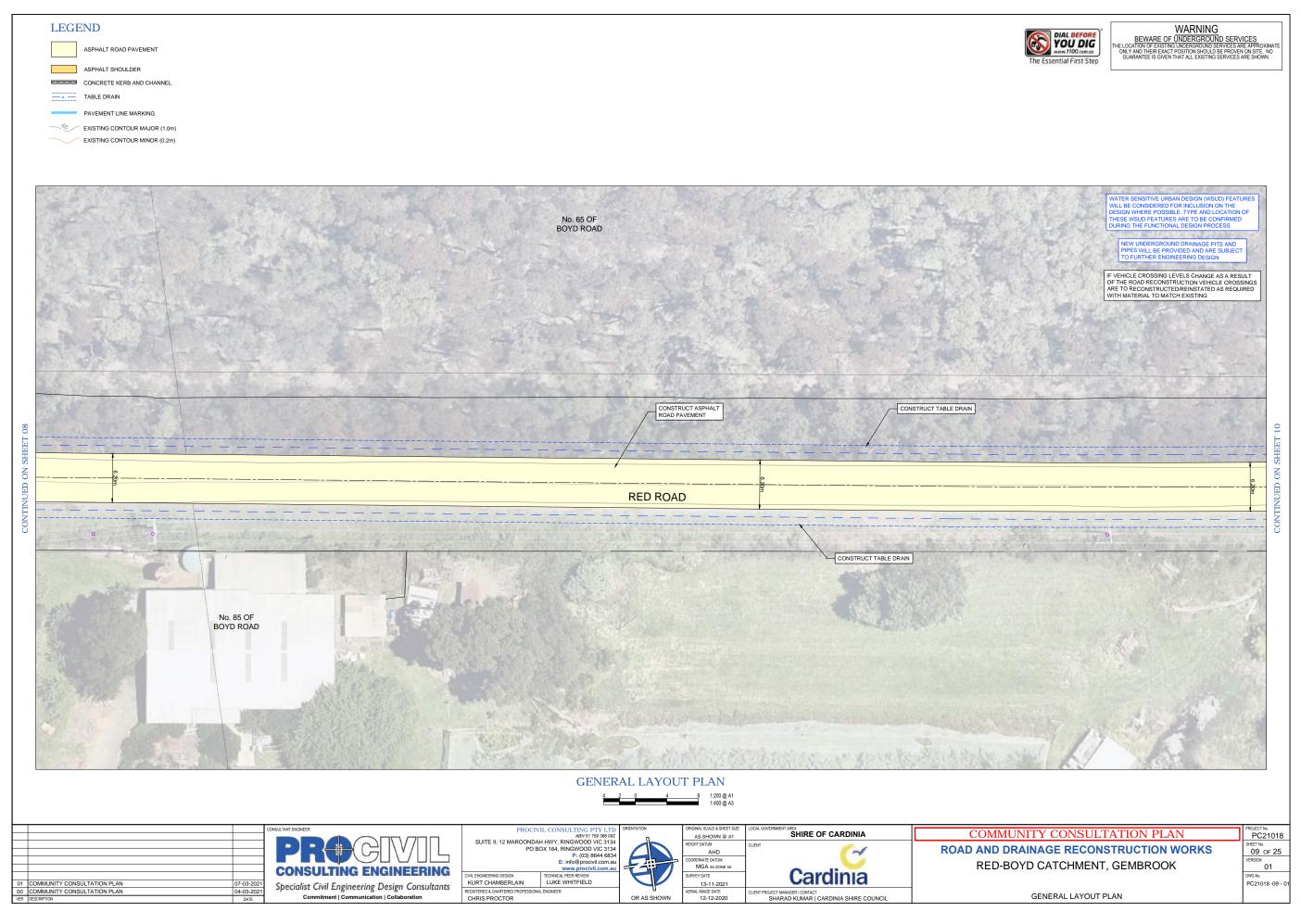


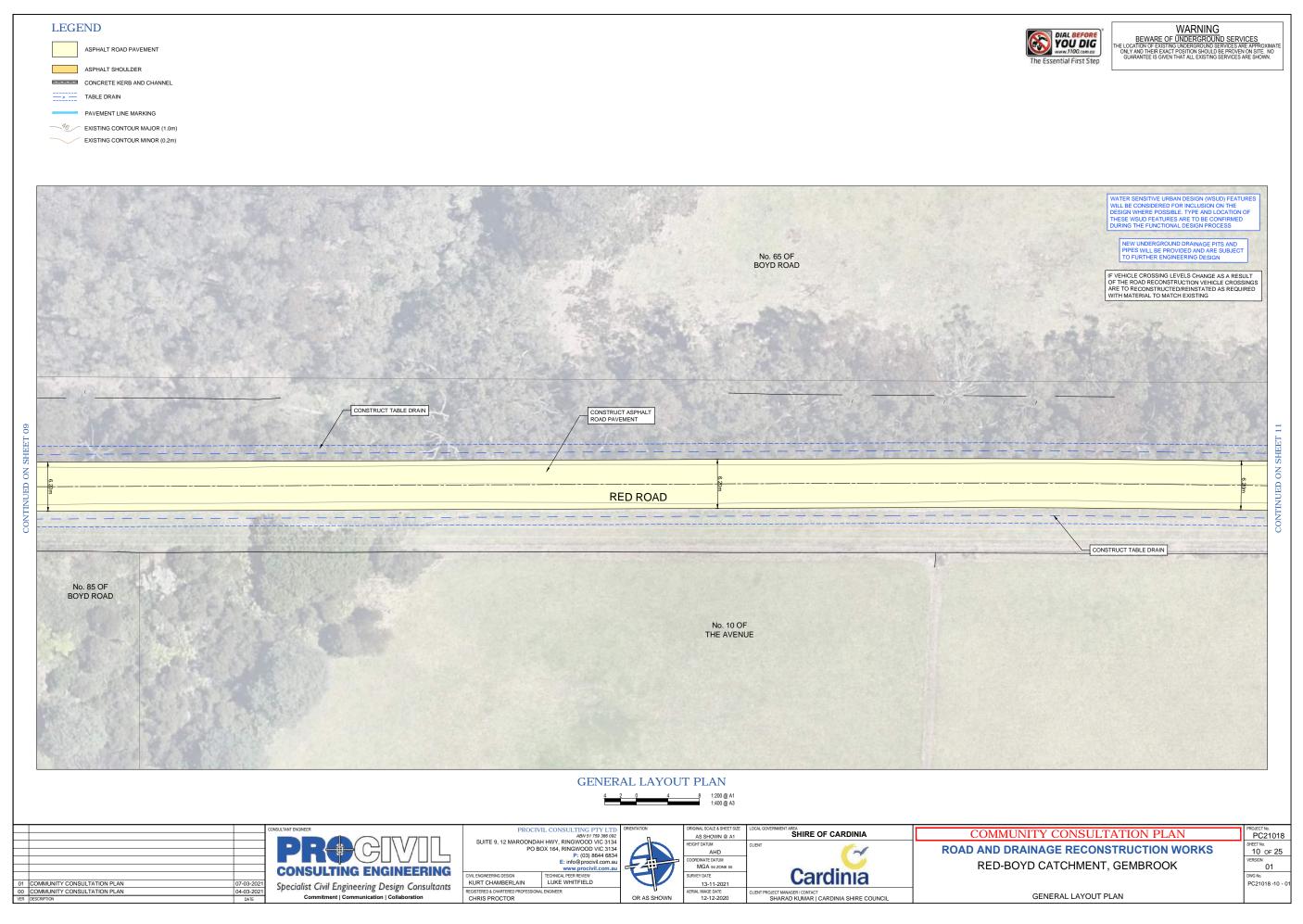


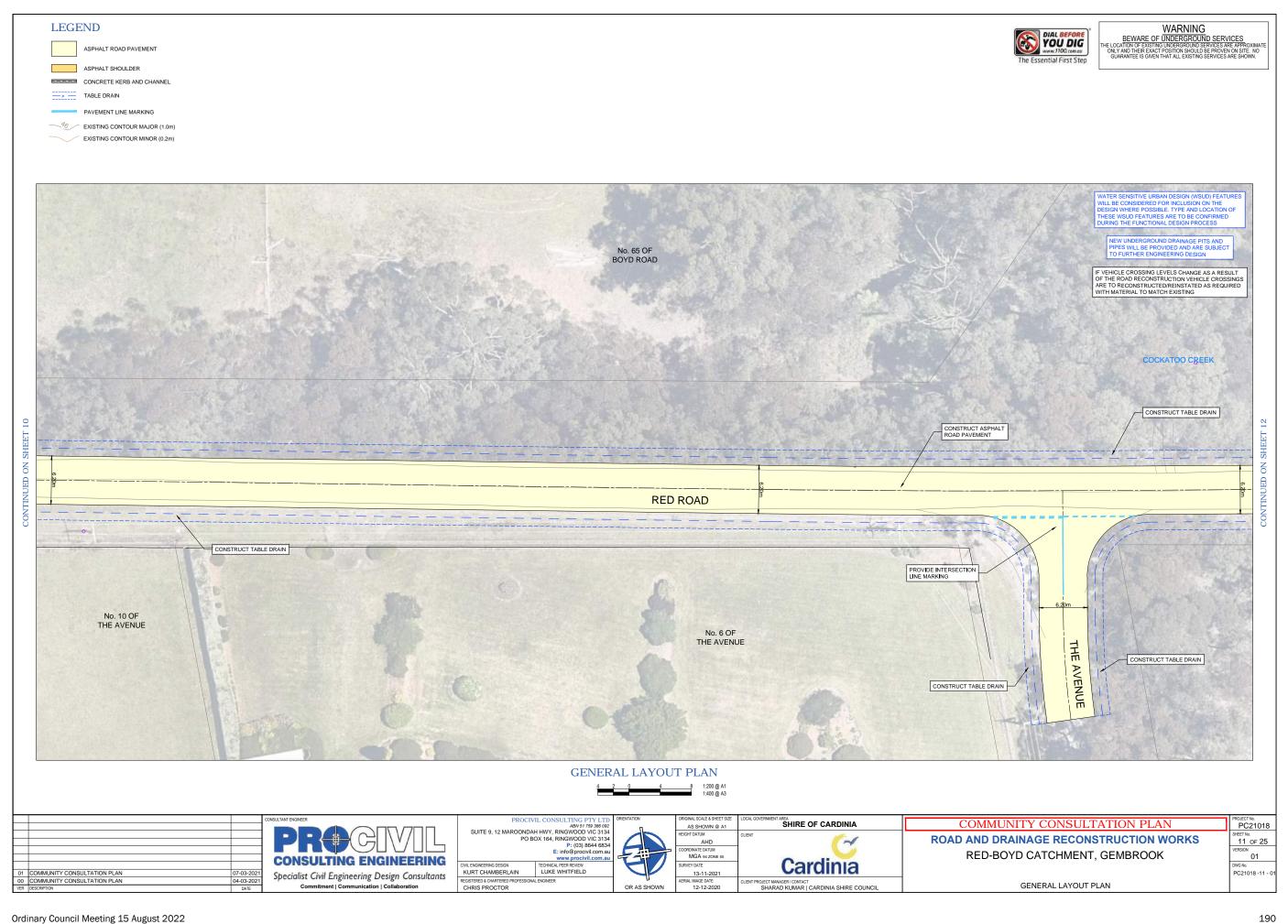


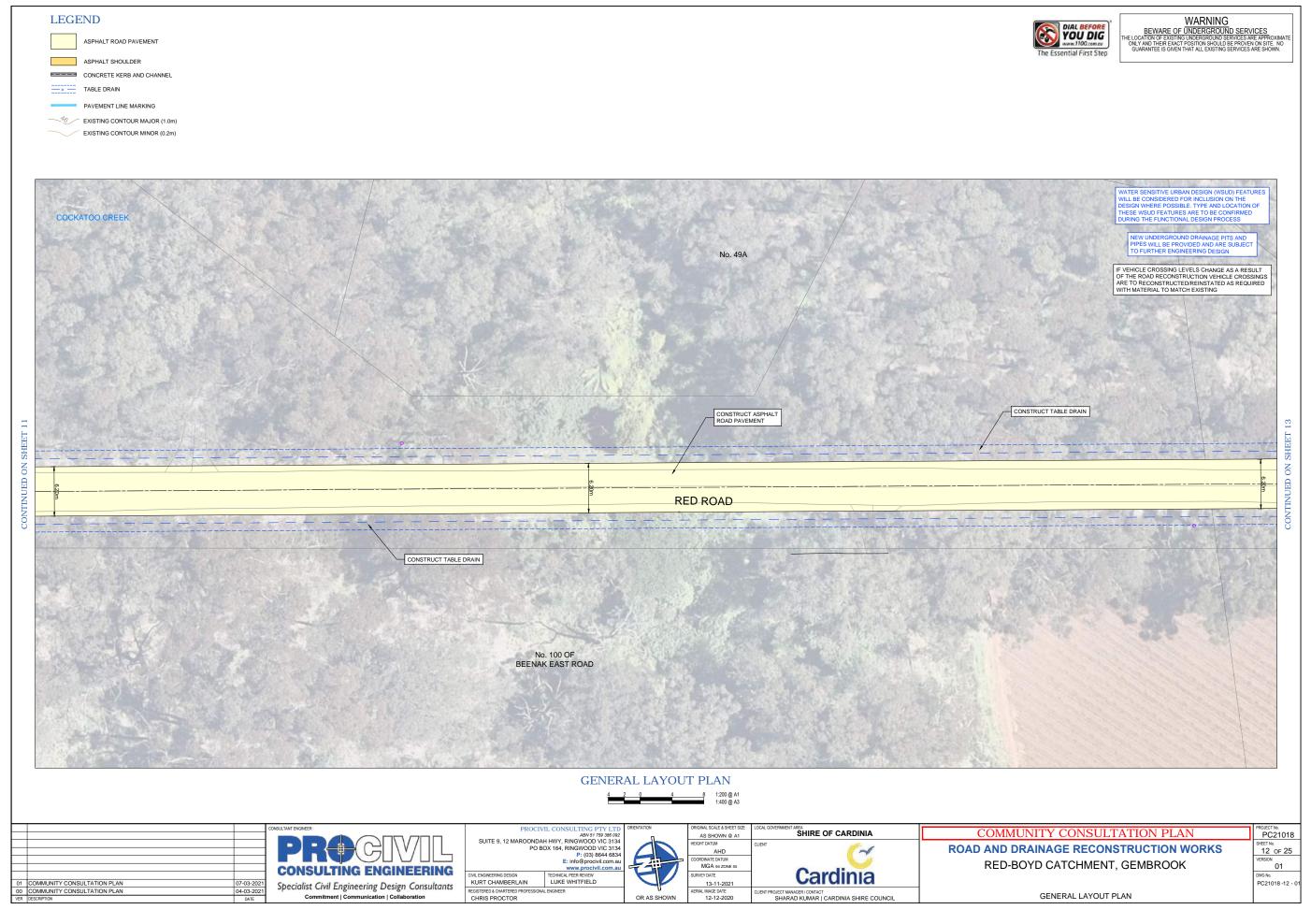


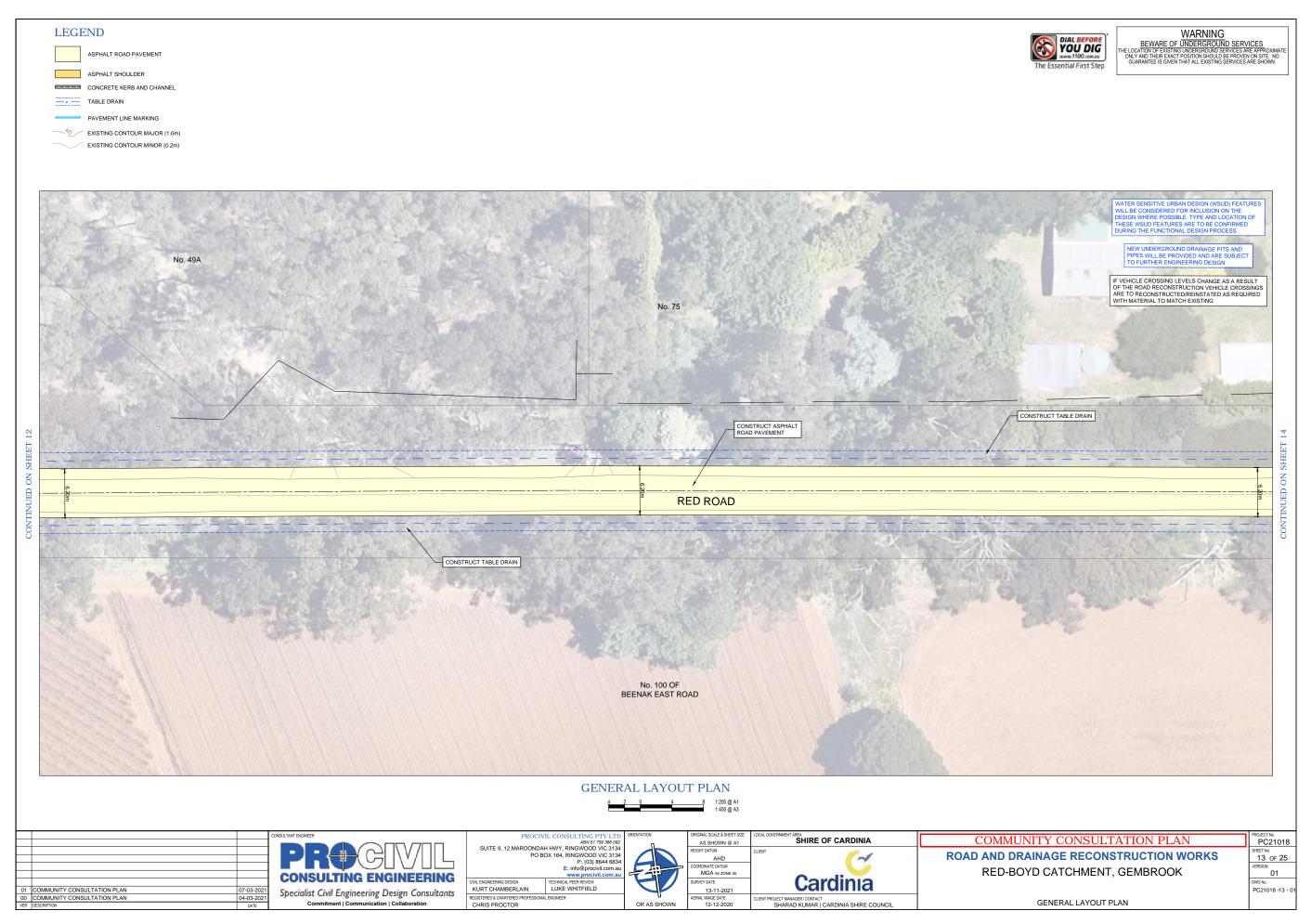


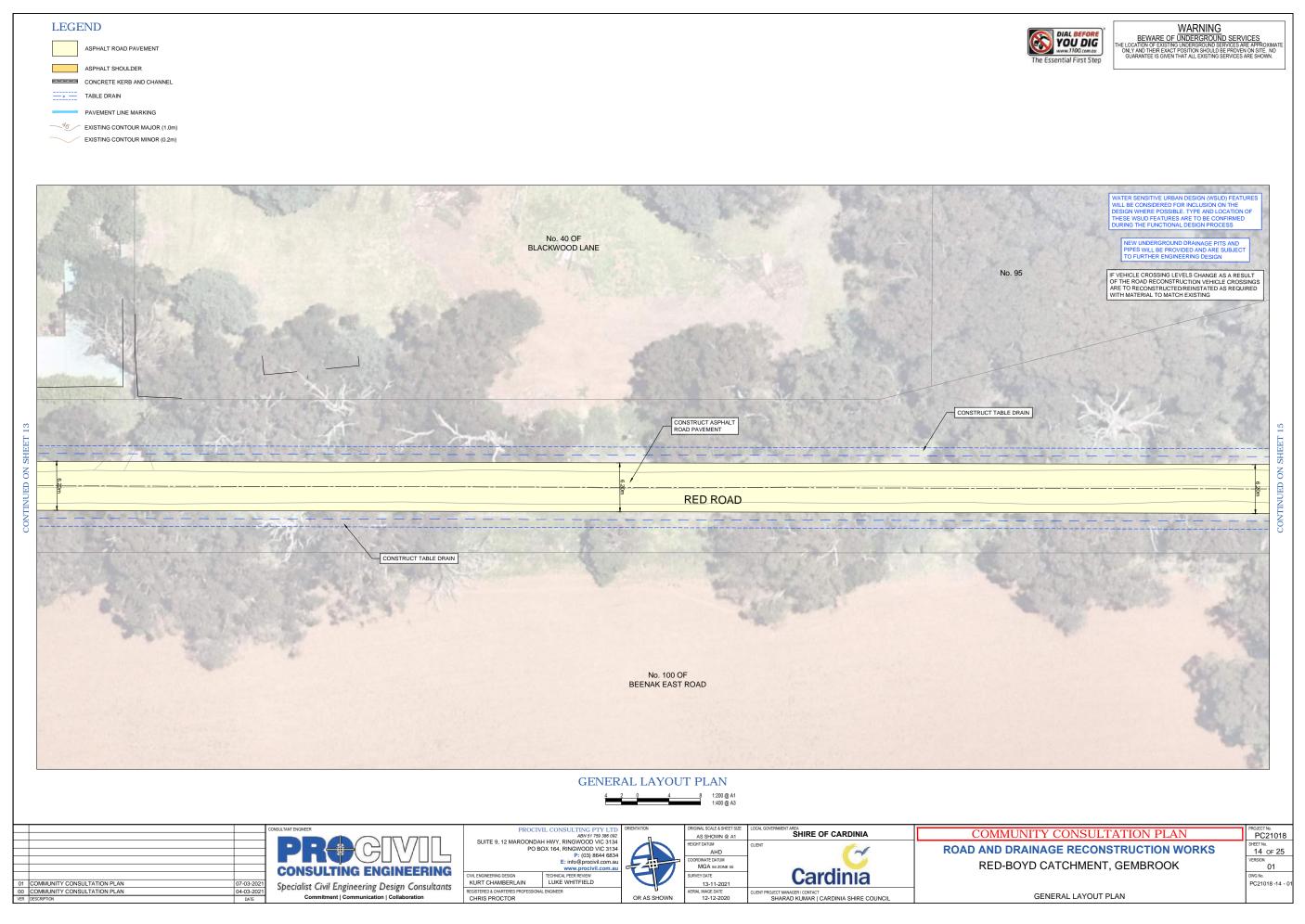


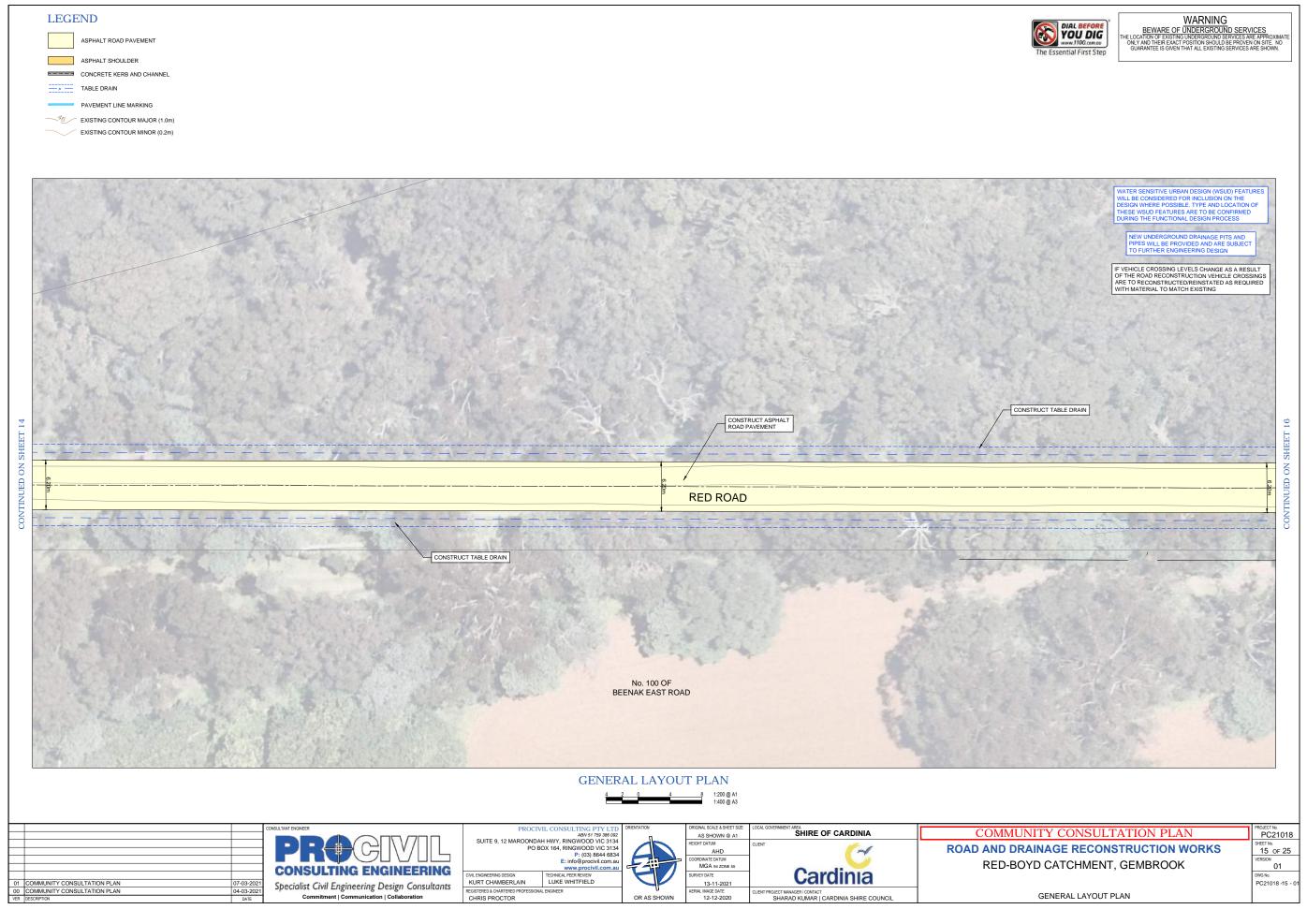


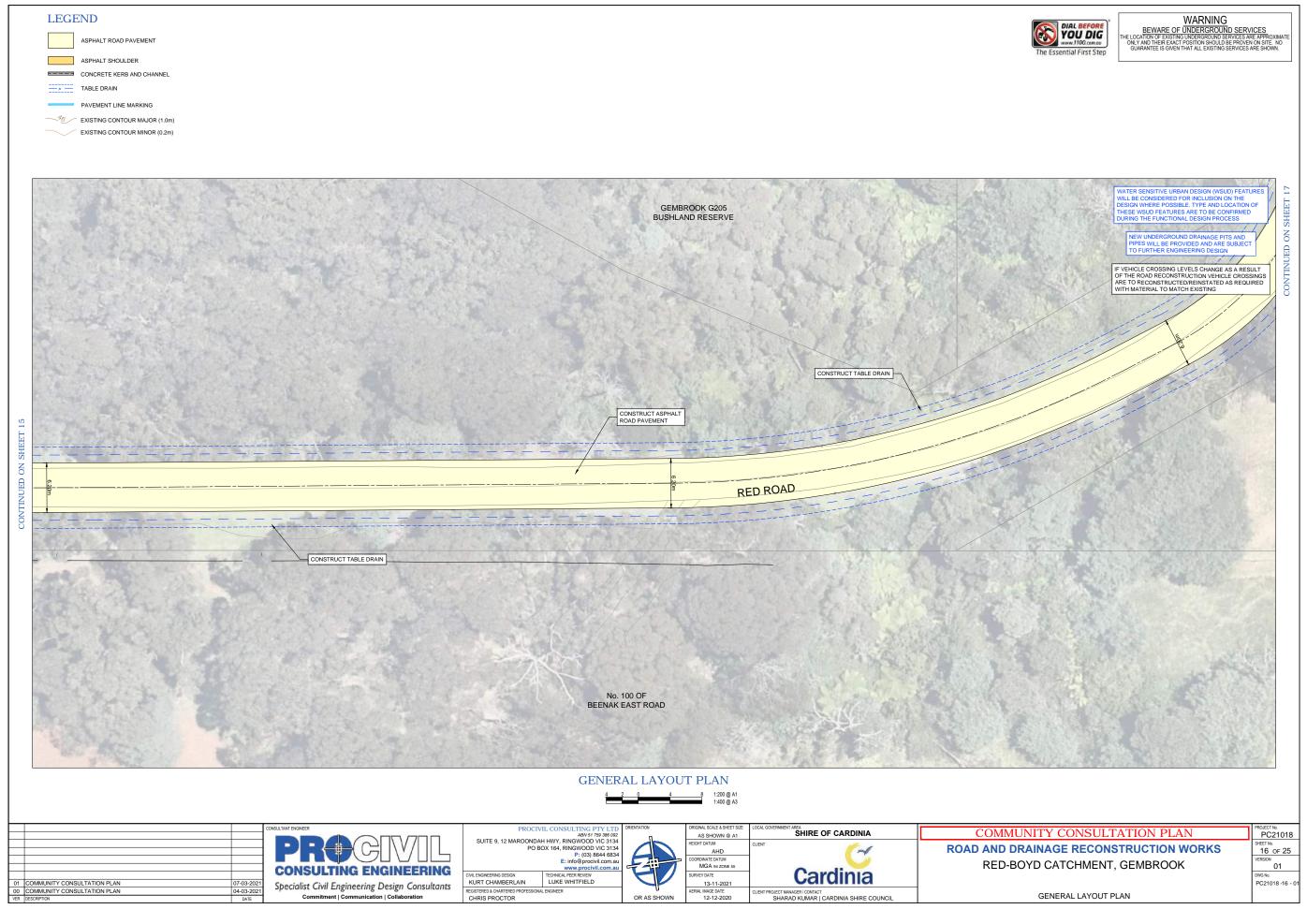


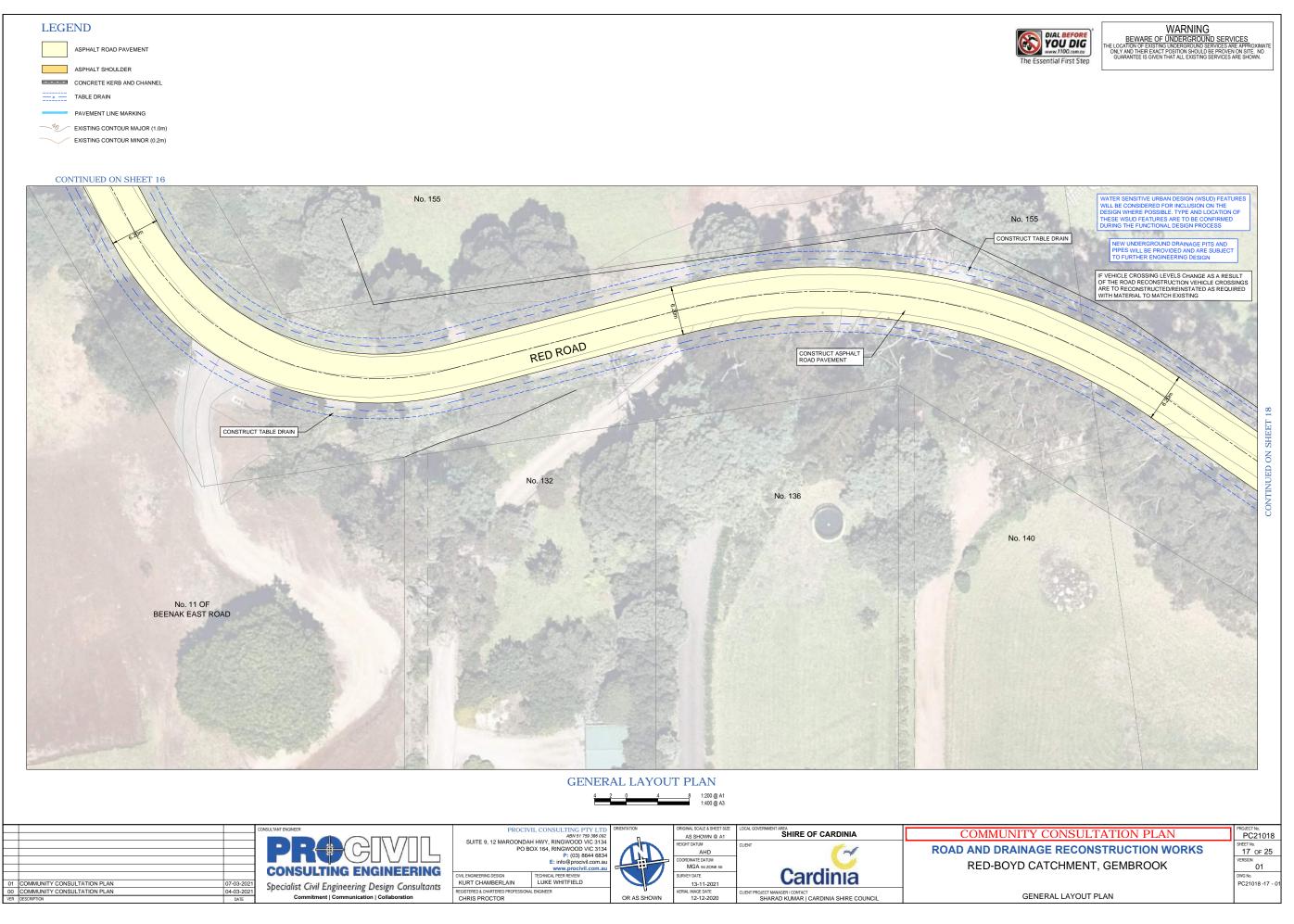


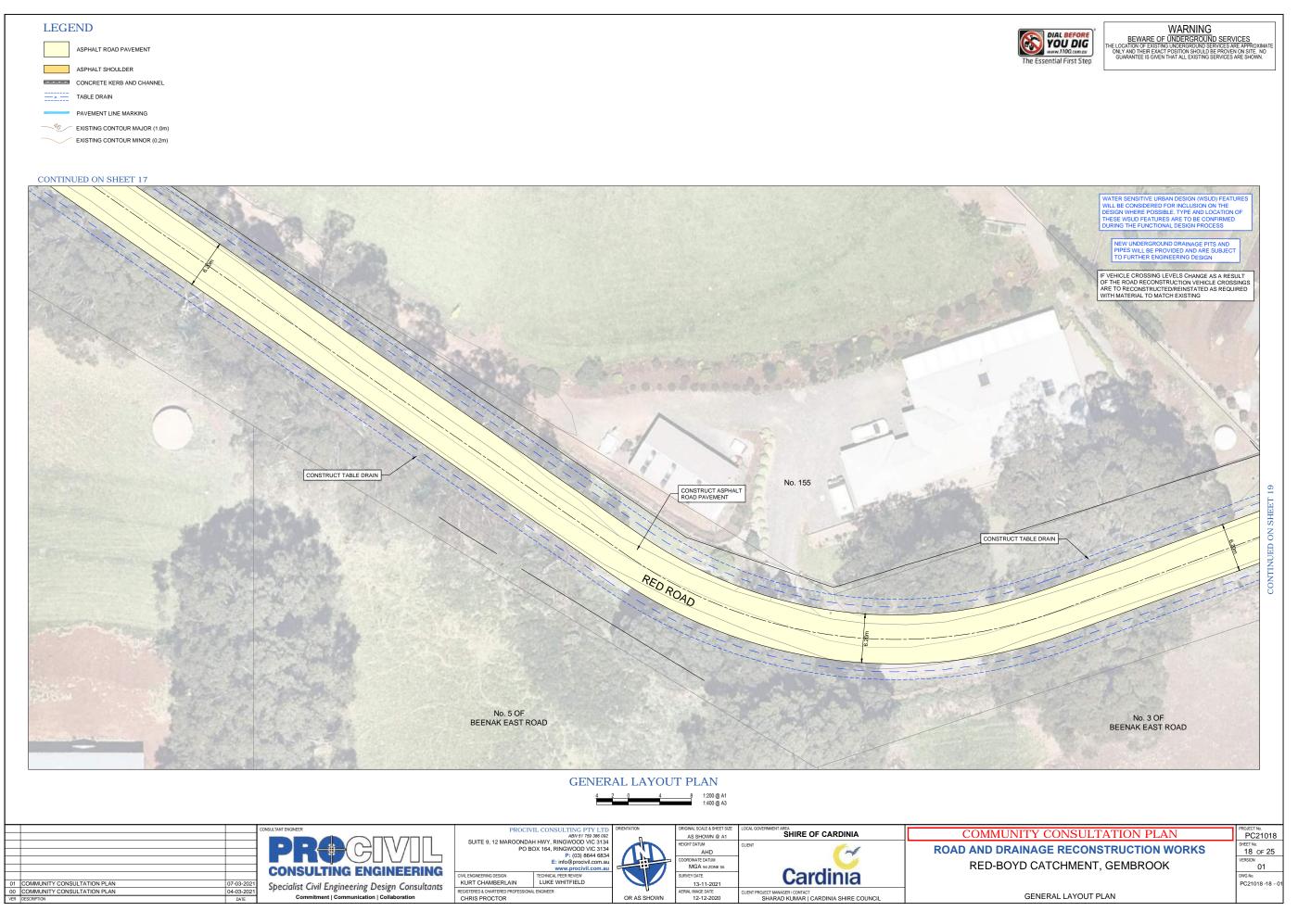




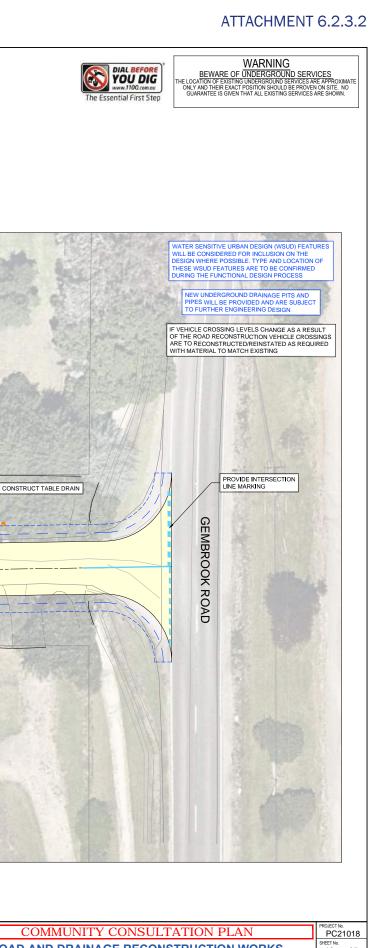


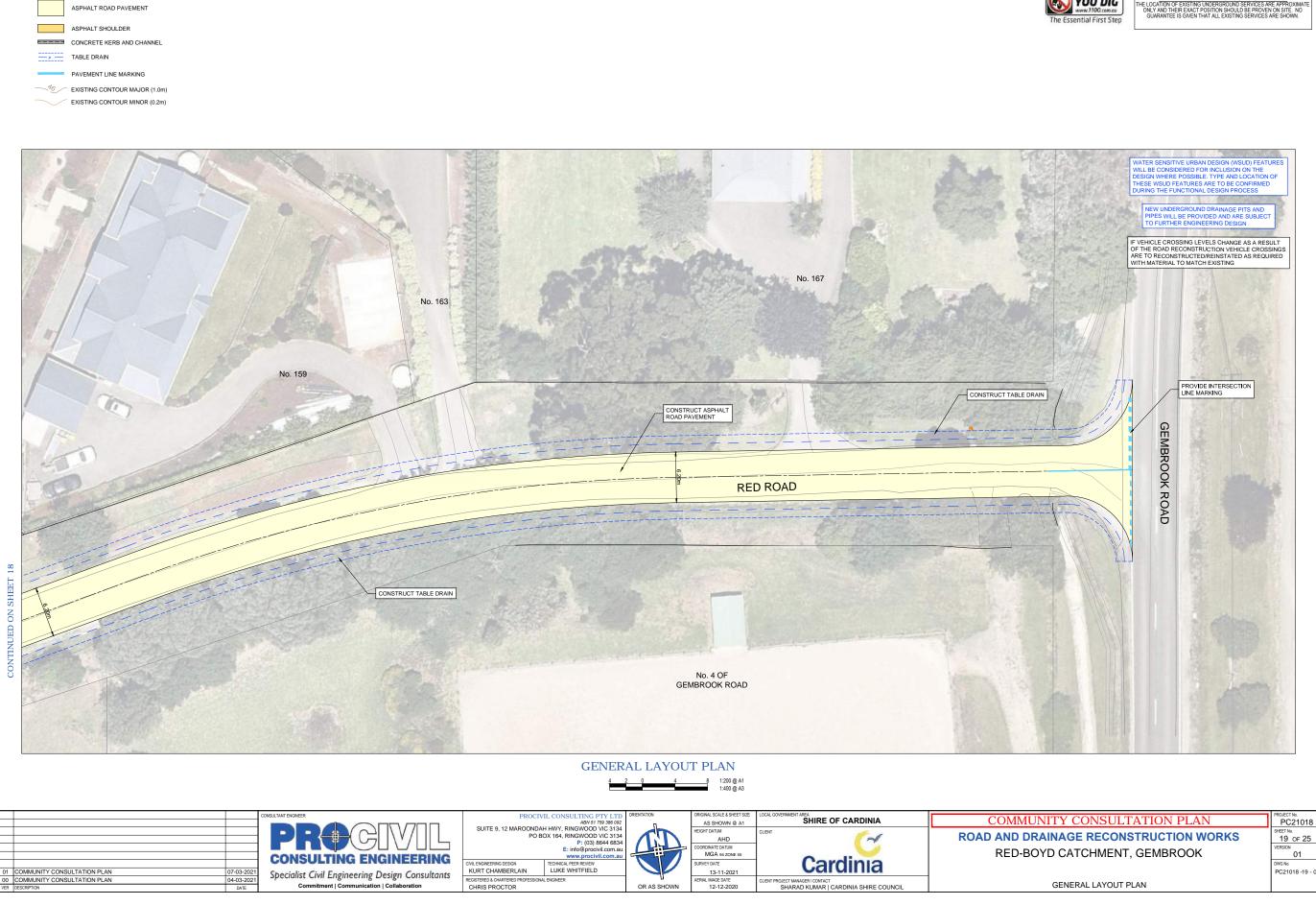


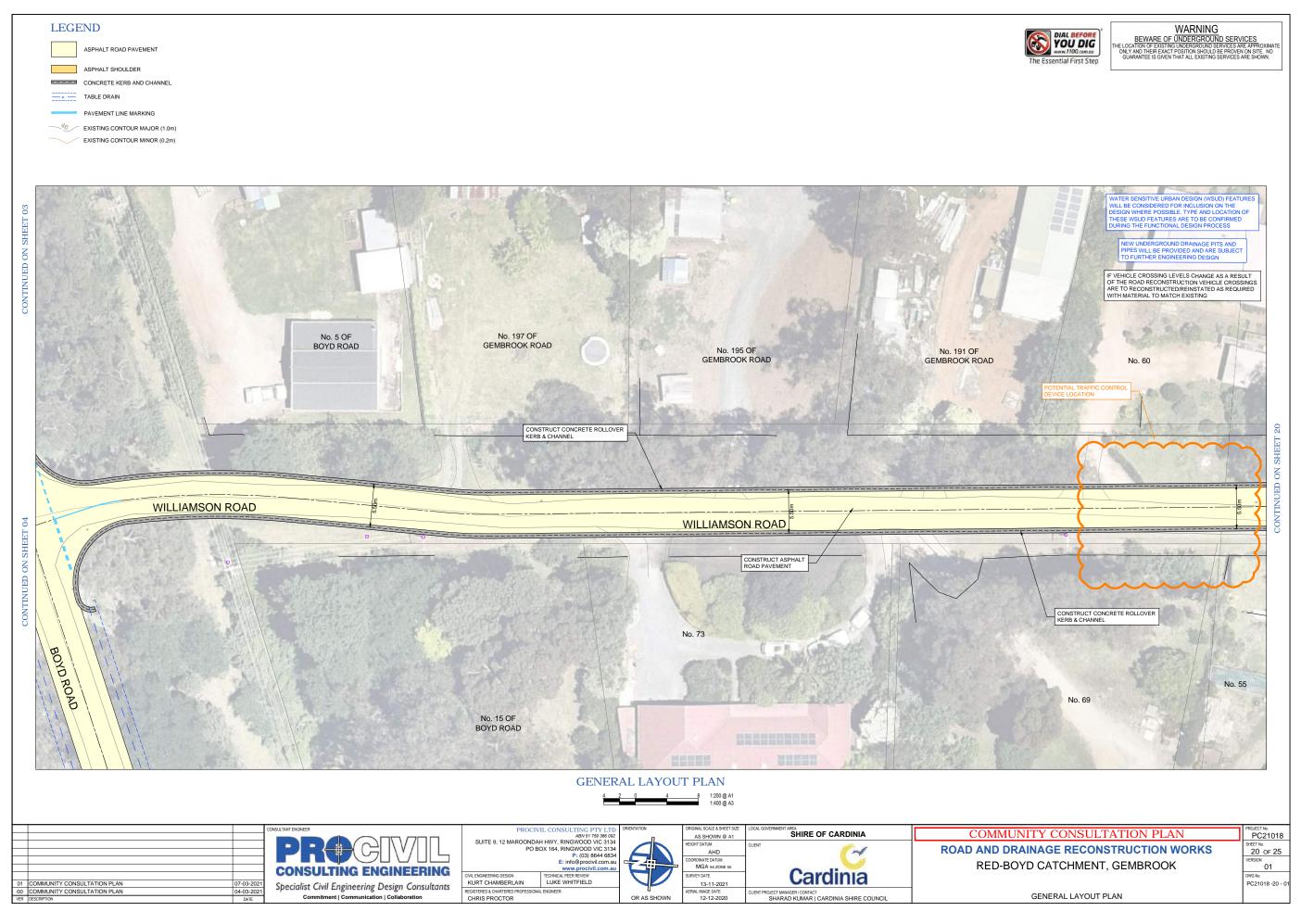


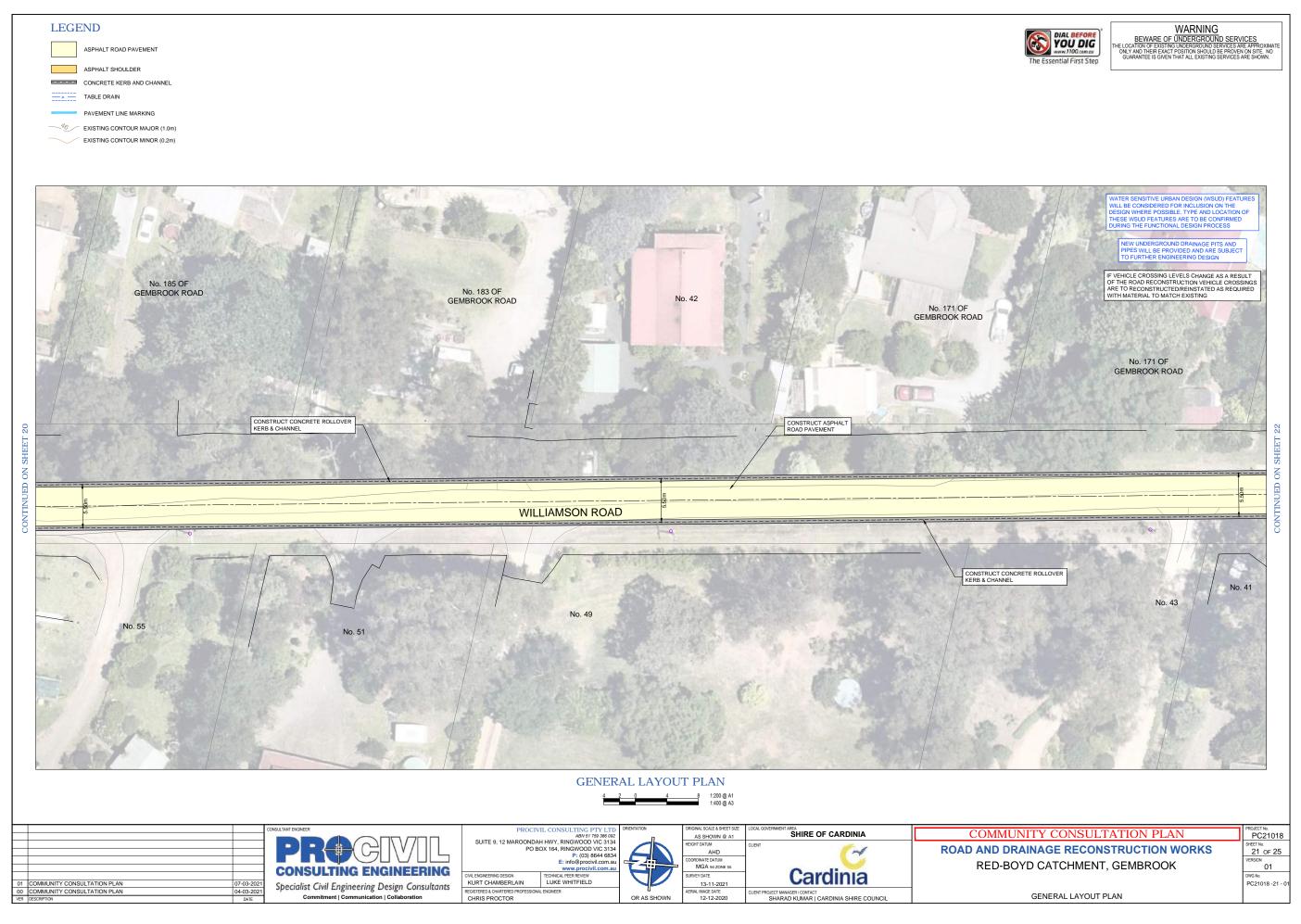


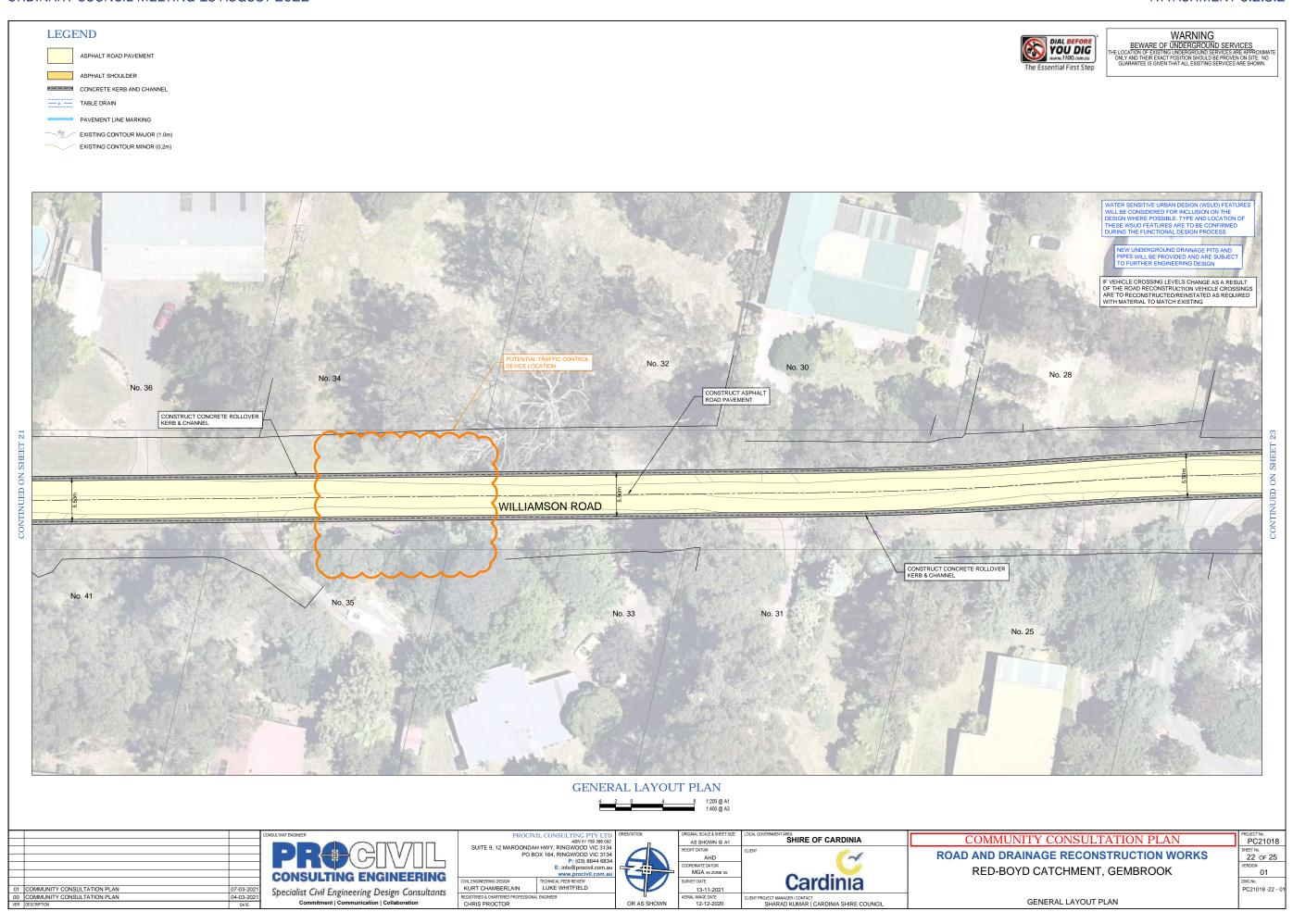
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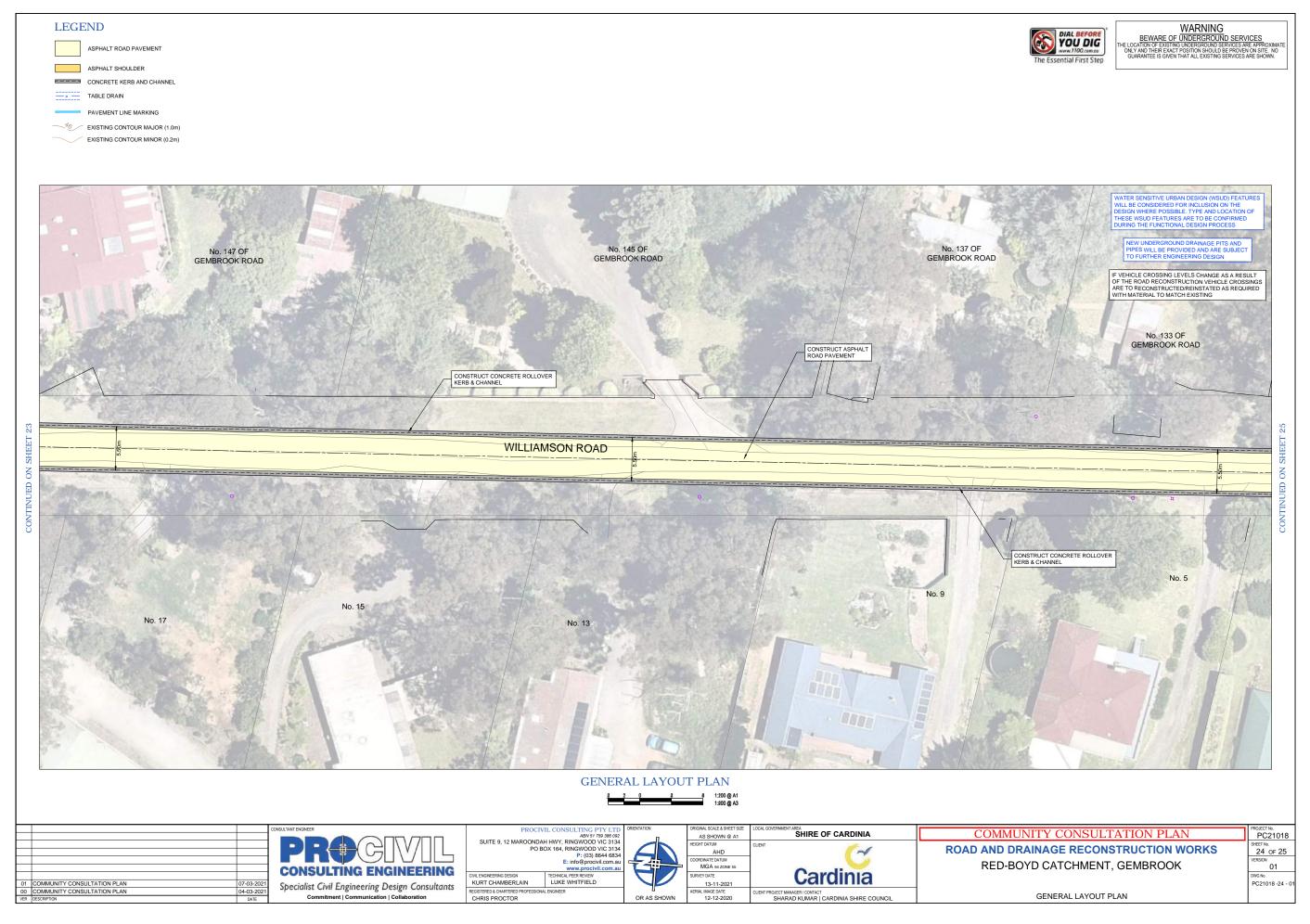




OR AS SHOWN

12-12-2020

T PROJECT MANAGER / CONTACT SHARAD KUMAR | CARDINIA SHIRE COUNCIL





Sealing the Hills program Special Charge Scheme process checklist



Special charge scheme projects (Section 163 Local Government Act)

Complete	Stage	Description
✓	Survey of landowners	Initial survey of property owners to assist in determining the need, associated issues and level of support for the proposed works and special rate/charge scheme.
✓	Approval to prepare scheme	Decision made to prepare scheme or to shelve project following consideration of the survey of property owners and feedback from the community. If the decision is that the scheme should proceed, the engineering design is completed, and a detailed estimate and an apportionment of costs are prepared. If a decision is made that the scheme should not proceed based on resident and community feedback, the affected residents are advised accordingly
✓	Intention to declare scheme	Report to Council providing information on proposed scheme including advice of impending advertising of scheme and declaration of charge. Report seeks Council approval by resolution to proceed with process.
✓	Advertisement and notification	The proposed scheme is advertised in the local newspaper and all affected property owners are notified by mail of proposed works, costs and contributions. This advertisement and notification indicate Council's intention to <i>declare</i> a scheme in a month's time and seeks submissions from affected property owners. Details of the scheme may be inspected at the shire offices.
✓	Submissions	From the time of advertising, property owners have 28 days (as set down by the Act) to lodge submissions, either in support or opposing the proposed scheme.
	Submissions review panel hearing	A Submissions Review Panel is convened (may be Council Committee or whole Council) and meets to consider submissions. Some submissions are written only. Submitters may also request to be heard before the committee. The panel makes a recommendation to Council regarding the scheme.
	Abandonment of scheme	The panel may recommend to Council that the scheme be abandoned. After considering the panel's report, Council may proceed to abandon the scheme following which property owners are notified and the scheme does not proceed.
✓	Declaration report	Alternatively, the panel may recommend to Council that the scheme proceed. After considering the panel's report, Council may proceed to <i>declare</i> the charges in accordance with its advertised intent. • After this the Finance Manager issues the levy notices and there is a formal charge placed on the property. • This is the final step in the process for Council to make a decision on the scheme
*	Appeal	Property owners may lodge an application for review of Council's decision with the Victorian Civil and Administrative Tribunal (VCAT) within one month of issue of the levy notice. An appeal is listed, heard and determined by the tribunal and this process generally takes four to six months. Decisions made by VCAT are binding on all parties.
*	Construction	Council may then proceed to construction. Tenders are invited and a contractor appointed to construct the works. Invoices are issued seeking payment of the declared contribution. Payment may be by instalments or lump sum. The social responsibility provisions of Council's Special Charge Policy provide for those facing financial difficulty.
×	Final cost report	At the completion of the works the scheme is <i>finalised</i> and a report presented to Council.

Red, Boyd, Ramage, Williamson, Gembrook Rd

