



# **GYMPIE REGIONAL COUNCIL**

## **AGENDA**

*of the*

## **SPECIAL MEETING**

**CHAIRMAN: Cr GC Hartwig (Mayor)**

**Held in the Boardroom**

**Town Hall**

**2 Caledonian Hill**

**Gympie Qld 4570**

**On Thursday, 5 August 2021**

**At 2.00 pm**



The Corporate Plan 2017-2022 provides a clear framework and direction in relation to Council's **vision, purpose, values** and **key strategic objectives**.

Our vision for the Gympie region is to **be the natural choice to live, work and play**.

Our purpose is to actively serve our community and plan for the future of the region.

Through our values we are:

#### **Accountable**

We take responsibility for our actions, we will be accessible and fair.

#### **Consistent**

Our actions will reflect Council's guidelines and practices at all times.

#### **Appreciative**

We value the opportunities we have, and look for the best in our people, our organisation and our community.

#### **Communicative**

We will keep people informed, consult with the community and actively listen to and respond to their input.

#### **Respectful**

We treat people with dignity, courtesy and respect.  
We recognise and support everyone's contributions.

Council's activities are aimed at achieving our vision and are focused into the following five key strategic themes/objectives:

#### **OUR INFRASTRUCTURE**

*is well planned, integrated and safe.*

#### **OUR COMMUNITY**

*is active, diverse, creative and engaged.*

#### **OUR ECONOMY**

*is dynamic, productive and resilient.*

#### **OUR ENVIRONMENT**

*is sustainable, well-managed and accessible.*

#### **OUR ORGANISATION**

*is accountable, responsive, efficient and innovative.*

The above framework informs Council's decision making and guides our organisational management and operational activities.

**Gympie Regional Council      SPECIAL**


---

*Mayor GC Hartwig (Chairman),*

*Crs J Milne, NG Jensen, SA Waldock, BM Devereaux, DH Stewart, HT Smerdon,  
WA Polley and RA Fredman.*

## **CONTENTS:**

---

<b>SECTION 1: APOLOGIES / LEAVE OF ABSENCE .....</b>	<b>4</b>
<b>SECTION 2: DISCLOSURE OF INTERESTS .....</b>	<b>4</b>
<b>SECTION 3: OFFICE OF THE CEO .....</b>	<b>5</b>
3.1 AWARD OF CONTRACT NUMBER RFT0324 AQUATIC CENTRE MANAGEMENT SERVICES.....	5
<b>SECTION 4: CORPORATE FINANCIAL SERVICES .....</b>	<b>15</b>
4.1 EVENT REQUEST - GYMPIE MUSIC MINI MUSTER.....	15
<b>SECTION 5: ATTACHMENTS.....</b>	<b>18</b>
4.1 EVENT REQUEST - GYMPIE MUSIC MINI MUSTER	
ATTACHMENT 1 INCOMING REQUEST - GREG CAVANAGH - GYMPIE MUSIC MUSTER .....	19

**SECTION 1: APOLOGIES / LEAVE OF ABSENCE**

**SECTION 2: DISCLOSURE OF INTERESTS**

## SECTION 3: OFFICE OF THE CEO

### 3.1 Award of Contract Number RFT0324 Aquatic Centre Management Services

**PORTFOLIO:** Community Assets

**DIRECTORATE:** Office of the CEO

**DOC ID:**

#### LINKS TO CORPORATE/OPERATIONAL PLAN

#### STRATEGIC THEMES:

1. Our Infrastructure - well planned, integrated and safe
2. Our Community - active, diverse, creative and engaged
5. Our Organisation - accountable, responsive, efficient and innovative

#### 1. BACKGROUND AND PREVIOUS COUNCIL CONSIDERATION

Gympie Regional Council (Council) is responsible for the Gympie Aquatic Recreation Centre (Gympie ARC), the premier aquatic facility for the region, which opened in 2017. In addition, Council is responsible for the management and operations of the following seasonal, Regional Aquatic Centres:

- Goomeri Public Pool;
- Kandanga Public Pool; and
- Tin Can Bay Public Pool.

All four Aquatic Centres are currently managed and operated by an external contractor, Belgravia Health and Leisure Group Pty Ltd (Belgravia), under two separate five year agreements.

The agreement for the Gympie ARC expires on 31 August 2021 and currently costs Council \$347,285 annually. The annual cost is offset by a 30% profit share of Belgravia's Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) for the Gympie ARC. The 30% profit share reduces the annual expenditure to approximately \$312,285.

The agreement for the three Regional Aquatic Centres also expires on 31 August 2021. The current cost to Council is \$124,966 per annum for each of the Regional Aquatic Centres, totalling \$374,899 per annum.

#### 2. REPORT

Tender RFT0324 Aquatic Centre Management Services was advertised on 21 April 2021 for the four aforementioned Aquatic Centres and closed on 18 May 2021. The Invitation to Tender comprised four Separable Portions, one for each Aquatic Centre. Tenderers were invited to submit Tender Responses for one, two, three or four of the Separable Portions. There was no limitation on the number of Separable Portions (Aquatic Centres) that could be won by an individual Tenderer. Tenderers could lodge an Alternate Tender Response provided that the Tenderer had lodged a Conforming Tender Response for the service.

Prospective Tenderers were advised that Gympie Regional Council would be submitting a Tender Response (internal bid) to this Invitation to Tender. They were further advised that Council's internal bid team was independent of Council's Tender Evaluation Panel.

An external process lead and subject matter expert from Peak Services was engaged to lead the procurement process on behalf of Council. The procurement process was also overseen by an independent external Probity Advisor from Local Buy.

A non-mandatory Tenderer Site Visit was scheduled as part of the procurement process for 4 May 2021. Representatives from three organisations chose to attend the Site Visits. In accordance with the participants' interests, visits were made to three of the Aquatic Centres.

The Invitation to Tender documents were accessed/read by 42 different companies during the tender period. Tender Responses were received from three Tenderers as follows.

<b>Tenderer</b>	<b>Separable Portion(s) (SP) tendered for:</b>
Belgravia Health and Leisure Group Pty Ltd ATF The Belgravia Leisure Unit Trust (trading as Belgravia Leisure)	SP1 Gympie ARC SP2 Goomeri Public Pool SP3 Kandanga Public Pool SP4 Tin Can Bay Public Pool
Deep Blue Aquatics as Trustee for the Manthey Family Trust <ul style="list-style-type: none"> <li>• Conforming Tender</li> <li>• Alternate Tender</li> </ul>	SP3 Kandanga Public Pool SP3 Kandanga Public Pool
Gympie Regional Council	SP1 Gympie ARC SP2 Goomeri Public Pool SP3 Kandanga Public Pool SP4 Tin Can Bay Public Pool

Belgravia Leisure offered a 5% discount off its pricing if they were to be awarded all four Separable Portions.

Deep Blue Aquatics as Trustee for the Manthey Family Trust (Deep Blue Aquatics) submitted a Conforming Tender Response and an Alternate Tender Response. The Alternate Tender Response was on the basis that Council retains all entrance and pool hire fees and Council takes on a number of the roles, accountabilities, costs and risks which the Invitation to Tender documents stipulated were for the Tenderer (e.g. electricity, chemicals, maintenance), whilst paying to Deep Blue Aquatics a reduced management fee.

The Tender Response from Gympie Regional Council was developed and submitted independently by D.B Consulting.

## Tender Evaluation

An Evaluation Panel was established and consisted of:

- Executive Manager Asset Facilities;
- Director Corporate Financial Services;
- Coordinator Facilities Management;
- Senior Procurement Coordinator; and
- Health and Safety Advisor (only evaluating the Work Health and Safety section of the Tender Responses).

The Tender Responses were checked for conformance to the terms and conditions of the Invitation to Tender process and mandatory criteria. All three Tenderers were deemed as conforming to this step. Clarification questions were sent to Tenderers as required.

Deep Blue Aquatics' Alternate Tender Response for Separable Portion 3 was not progressed by the Evaluation Panel as it was deemed to involve an unacceptable level of risk for Council.

Tender Responses were evaluated against the following criteria and weightings.

Price - <i>discount expected if a Tenderer is awarded more than one Aquatic Centre</i>		35%
Contract Experience and Capacity		
• <i>Contract Experience and Track Record</i>	(9%)	15%
• <i>Capability and Resourcing</i>	(6%)	
Methodology		15%
• <i>Methodology / Initiatives</i>		
Quality		5%
• <i>Quality Management Accreditation and/or Systems</i>		
Health and Safety		
• <i>Safety Management Systems &amp; Accreditation</i>	(7%)	10%
• <i>Safety Management Plan</i>	(3%)	
Environment and Sustainability		
• <i>Environmental Management Systems &amp; Accreditation</i>	(3.5%)	5%
• <i>Environmental Initiatives</i>	(1.5%)	
Local Benefits (Economy)		
• <i>Local employment (and traineeships, apprenticeships)</i>	(11.25%)	15%
• <i>Local supply chain (contractors, manufacturers, suppliers)</i>	(3.75%)	

Local benefits: Belgravia currently employ the following persons across the aquatic facilities.

**Regional Pools:** Off season four (4) persons  
Swimming Season fifteen (15)

**GARC** Winter operations (April to September) twenty-eight (28)  
Swimming season (October to March) thirty-five (35)

Tenderer scores for the qualitative evaluation criteria (out of 65%) are as follows.

Separable Portion(s) tendered for	Tenderer	Qualitative Score (65%)						
		Contract Experience & Capacity	Methodology of Project Delivery	Quality	Health & Safety	Environment	Local Benefits Economy	Total
		15%	15%	5%	10%	5%	15%	65%
SP1, SP2, SP3, SP4	Belgravia Leisure	12%	10.5%	4%	8.4%	3.2%	10.9%	<b>49%</b>
SP3 only	Deep Blue Aquatics	9%	7.5%	2%	2.3%	1.2%	14.6%	<b>37%</b>
SP1, SP2, SP3, SP4	Gympie Regional Council	3%	6%	3%	7.4%	2.9%	12.8%	<b>35%</b>

Prices submitted by the Tenderers, compared to current costs, are as follows.

SP1	<b>Gympie ARC</b>	PRICING (Excluding GST)					
		Year 1	Year 2	Year 3	Year 4	Year 5	Total
SP1	Belgravia Leisure	\$180,000	\$185,400	\$190,962	\$196,691	\$202,592	<b>\$ 955,645</b>
	Gympie Regional Council	\$580,880	\$585,856	\$603,432	\$621,535	\$640,181	<b>\$3,031,884</b>
	Current Cost*	\$312,285	\$321,654	\$331,303	\$341,242	\$351,480	<b>\$1,657,963</b>

\*Current contract cost as Year 1 has been escalated by 3% per annum for comparison and is net of the approximated profit share.

SP2	<b>Goomeri Public Pool</b>	PRICING (Excluding GST)					
		Year 1	Year 2	Year 3	Year 4	Year 5	Total
SP2	Belgravia Leisure	\$129,122	\$132,996	\$136,986	\$141,095	\$145,328	<b>\$ 685,526</b>
	Gympie Regional Council	\$170,489	\$175,604	\$180,872	\$186,298	\$191,887	<b>\$ 905,150</b>
	Current Cost*	\$124,966	\$128,715	\$132,576	\$136,554	\$140,650	<b>\$ 663,461</b>

\*Current contract cost as Year 1 has been escalated by 3% per annum for comparison and is net of the approximated profit share.

SP3	<b>Kandanga Public Pool</b>	PRICING (Excluding GST)					
		Year 1	Year 2	Year 3	Year 4	Year 5	Total
SP3	Belgravia Leisure	\$125,239	\$128,996	\$132,866	\$136,852	\$140,958	<b>\$ 664,911</b>
	Gympie Regional Council	\$143,355	\$147,656	\$152,085	\$156,648	\$161,347	<b>\$ 761,091</b>
	Deep Blue Aquatics - Conforming Tender	\$100,000	\$100,000	\$104,545	\$109,091	\$109,545	<b>\$ 523,182</b>
	Current Cost*	\$124,966	\$128,715	\$132,576	\$136,554	\$140,650	<b>\$ 663,461</b>

\*Current contract cost as Year 1 has been escalated by 3% per annum for comparison and is net of the approximated profit share.



SP4	<b>Tin Can Bay Public Pool</b>	PRICING (Excluding GST)					
		Year 1	Year 2	Year 3	Year 4	Year 5	Total
	Belgravia Leisure	\$125,239	\$128,996	\$132,866	\$136,852	\$140,958	<b>\$ 664,911</b>
	Gympie Regional Council	\$170,835	\$175,960	\$181,239	\$186,676	\$192,276	<b>\$ 906,986</b>
	Current Cost*	\$124,966	\$128,715	\$132,576	\$136,554	\$140,650	<b>\$ 663,461</b>

\*Current contract cost as Year 1 has been escalated by 3% per annum for comparison and is net of the approximated profit share.

Belgravia Leisure offered a 5% discount off its pricing if Belgravia Leisure was to be awarded all four Separable Portions, which can be reduced from the pricing shown in the tables above for all four Aquatic Centres.

The final total Tender Response scores are as follows.

SP1	<b>Gympie ARC</b>	Qualitative Score (65%)	Pricing Score (out of 35%)	TOTAL
		65%	35%	100%
	Belgravia Leisure	49%	35%	<b>84%</b>
	Gympie Regional Council	35%	11%	<b>46%</b>

SP2	<b>Goomeri Public Pool</b>	Qualitative Score (65%)	Pricing Score (out of 35%)	TOTAL
		65%	35%	100%
	Belgravia Leisure	49%	35%	<b>84%</b>
	Gympie Regional Council	35%	27%	<b>62%</b>

SP3	<b>Kandanga Public Pool</b>	Qualitative Score (65%)	Pricing Score (out of 35%)	TOTAL
		65%	35%	100%
	Belgravia Leisure	49%	28%	<b>76%</b>
	Deep Blue Aquatics - Conforming Tender	37%	35%	<b>72%</b>
	Gympie Regional Council	35%	24%	<b>59%</b>

SP4	<b>Tin Can Bay Public Pool</b>	Qualitative Score (65%)	Pricing Score (out of 35%)	TOTAL
		65%	35%	100%
	Belgravia Leisure	49%	35%	<b>84%</b>
	Gympie Regional Council	35%	26%	<b>61%</b>

### Change in Tender Specifications

In accordance with Section 228(8) of the *Local Government Regulation 2012*, Council reserves the right to change the Tender specifications if required and invite all Tenderers to change their Tender Responses to take account of a change in the Tender specifications, before making a decision on the Tender Responses. This condition was included in the Invitation to Tender documents.

On 22 July 2021, Council issued the three Tenderers with the following change in Tender specifications:

Tender Document, Section	From:	To:
Schedule 5 – Service Specification Attachment 1 – Specification, Section 6 - Term	<p>The commencement date of the Contract is anticipated to be 1 September 2021.</p> <p>The initial period will be for five (5) years from the commencement date.</p> <p>Council may extend the term of the Contract for a further period or further periods of up to five (5) years in total from the expiry date by giving written notice to the Contractor no less than 90 days prior to the expiry date, or any subsequent expiry date for any subsequent extension within the five (5) year extension options period.</p> <p>The decision to extend for any further period will be at the sole discretion of Council.</p>	<p>The commencement date of the Contract is anticipated to be 1 September 2021.</p> <p>The initial period will be for one (1) year from the commencement date.</p> <p>Council may extend the term of the Contract for a further four (4) by one (1) year periods by giving written notice to the Contractor no less than 90 days prior to the expiry date, or any subsequent expiry date for any subsequent one (1) year period.</p> <p>The decision to extend for any further period will be at the sole discretion of Council.</p>

Tenderers were accordingly invited to provide a changed Tender Response to take account of the aforementioned change in the Tender specifications.

Council's change to the Contract length from five (5) years to one (1) year was as a result of growing apprehensions regarding the technical performance of the Aquatic Centres' assets. In particular, the requirement for the introduction of condition based assessments to identify individual asset integrity and quality risks, as well as opportunities to determine satisfactory service levels for the provision of Aquatic Centres across the region.

For example, with respect to asset condition, recent inspections and assessment by aquatic engineering specialists have identified technical concerns regarding the physical condition and costs to raise the condition of the Tin Can Bay Aquatic Centre to an acceptable standard. In addition, the integrity of the balance tank, plant room construction and plant filtration equipment at the Gympie ARC will require vigorous assessment and analysis to inform future capital expenditure programs for rectification of built elements, equipment replacement and the development of a sparing capability.

Changed Tender Responses received by the Tenderers are provided in the table below. Belgravia Leisure submitted a changed Conforming Tender Response and a new Alternate Tender Response.

Tenderer		Changed Tender Response				
Belgravia Leisure	Conforming Tender Response	Revised Contract Price for Separable Portion 1 Gympie ARC:				
		Year 1	Year 2	Year 3	Year 4	Year 5
		\$285,000	\$293,550	\$302,357	\$311,427	\$320,770
		Withdrawal of Tender Responses for Separable 2 - Goomeri Public Pool, Separable Portion 3 - Kandanga Public Pool and Separable Portion 4 - Tin Can Bay Public Pool.				
	New Alternate Tender Response	Council retains the original Tender specification, in which case the original Tender Response would remain unchanged inclusive of Conforming Tender Responses for all four Separable Portions, but includes a Termination for Convenience clause to the General Conditions of Contract with wording as follows:  <u>Termination for Convenience</u> At the anniversary of the first year of the Contract, Council may terminate the Contract without reason and in its absolute discretion by giving at least 12 months written notice to the Contractor. If Council does so, Council will pay the Contractor for the Services supplied but not yet invoiced on a pro rata basis and the Contractor’s reasonable and documented expenses directly relating to the termination. The Contractor must take reasonable steps to minimise its expenses relating to the termination.				
Deep Blue Aquatics	Conforming Tender Response	No change to the original Conforming Tender Response.				
	Original Alternate Tender Response	No change to the original Alternate Tender Response, with further clarifications provided.				
Gympie Regional Council		No change to the original Conforming Tender Response.				

Belgravia Leisure's changed Conforming Tender Response for the Gympie ARC constitutes a 67% price increase (or \$605,241 over five (5) years) due to the reduction in Contract term from five (5) years to one (1) year.

Belgravia Leisure scored the highest in all four Separable Portions with their original Conforming Tender Response, however have withdrawn from Separable 2 - Goomeri Public Pool, Separable Portion 3 - Kandanga Public Pool and Separable Portion 4 - Tin Can Bay Public Pool with their changed Conforming Tender Response due to the change in Tender specifications.

Belgravia Leisure's subsequent Alternate Tender Response maintains their original Tender Response and pricing, against the original Tender specifications and adds flexibility to Council with a Termination for Convenience clause after the first year of the Contract.

Belgravia Leisure's subsequent Alternate Tender Response is recommended for award for all four Separable Portions.

### 3. BUDGET IMPLICATIONS

The tables below compare the current cost for each Aquatic Centre with Belgravia Leisure's tendered prices for their original Conforming Tender Response / subsequent Alternate Tender Response (reduced by the 5% discount for winning all four Aquatic Centres).

SP1	<b>Gympie ARC</b>	COST (Excluding GST)					
		FY22	FY23	FY24	FY25	FY26	Total
	Current Cost	\$312,285	\$321,654	\$331,303	\$341,242	\$351,480	\$1,657,963
	Belgravia Leisure	\$171,000	\$176,130	\$181,414	\$186,856	\$192,462	\$ 907,863

SP2	<b>Goomeri Public Pool</b>	COST (Excluding GST)					
		FY22	FY23	FY24	FY25	FY26	Total
	Current Cost	\$124,966	\$128,715	\$132,576	\$136,554	\$140,650	\$663,461
	Belgravia Leisure	\$122,666	\$126,346	\$130,136	\$134,040	\$138,062	\$651,250

SP3	<b>Kandanga Public Pool</b>	COST (Excluding GST)					
		FY22	FY23	FY24	FY25	FY26	Total
	Current Cost	\$124,966	\$128,715	\$132,576	\$136,554	\$140,650	\$663,461
	Belgravia Leisure	\$123,831	\$127,546	\$131,372	\$135,313	\$139,372	\$657,433

SP4	<b>Tin Can Bay Public Pool</b>	COST (Excluding GST)					
		FY22	FY23	FY24	FY25	FY26	Total
	Current Cost	\$124,966	\$128,715	\$132,576	\$136,554	\$140,650	\$663,461
	Belgravia Leisure	\$118,977	\$122,546	\$126,223	\$130,009	\$133,910	\$631,665

The Table below shows the same comparison for all four Aquatic Centres combined.

TOTAL AQUATIC CENTRES	COST (Excluding GST)					
	FY22	FY23	FY24	FY25	FY26	Total
Current Cost	\$687,183	\$707,798	\$729,032	\$750,903	\$773,431	\$3,648,348
Belgravia Leisure	\$536,474	\$552,568	\$569,145	\$586,219	\$603,806	\$2,848,211

If Belgravia Leisure's subsequent Alternate Tender Response was selected for all four Aquatics Centres, Council would save over the five years of the Contract:

- \$800,137 compared to current cost.

#### 4. POLICY IMPLICATIONS

This procurement process has been carried out in accordance with the provisions of the following documents:

- Council's Procurement Policy;
- *Local Government Act 2009*; and
- *Local Government Regulation 2012*.

Section 228(8) of the *Local Government Regulation 2012* provides that if an invitation to tender states that the local government might later invite all tenderers to change their tender responses to take account of a change in the tender specifications; and the local government does change the tender specifications; the local government may invite all the persons who submitted a tender response to change their tender response to take account of the change, before making a decision on the tenders.

Probity has been an essential focus during the Aquatic Centre Management Services procurement process, particularly with the knowledge that an internal bid would be tendered by Gympie Regional Council. Additional probity measures were taken including the following.

- An external process lead and subject matter expert was engaged to lead the procurement process on behalf of Council.
- The procurement process was overseen by an independent external Probity Advisor.
- Selection Criteria and weightings were provided to the Tenderers in the Invitation to Tender documents.
- The Tender Evaluation Panel comprised five members.
- A Procurement Evaluation and Probity Plan was signed off by all stakeholders before the Invitation to Tender went to market and then again after the tendering companies were made known to the Evaluation Panel.
- Independence with the internal bid team was ensured through an external party (D.B. Consulting) developing and submitting the internal bid.
- Potential Tenderers were advised within the Invitation to Tender documents that an internal bid would take place.
- Internal access to the existing contracts and Invitation to Tender documentation was locked-down and restricted to the bare minimum of staff; most of who were signed parties to the probity requirements of the procurement process.

## 5. CONSULTATION

Consultation occurred in relation to this tender with the following branches:

- Executive Leadership Team

## 6. CONCLUSION

Belgravia Leisure scored the highest in all four Separable Portions with their original Conforming Tender Response, however have withdrawn from Separable 2 - Goomeri Public Pool, Separable Portion 3 - Kandanga Public Pool and Separable Portion 4 - Tin Can Bay Public Pool with their changed Conforming Tender Response due to the change in Tender specifications.

Belgravia Leisure's subsequent Alternate Tender Response maintains their original Tender Response against the original Tender specifications and adds flexibility to Council with a Termination for Convenience clause after the first year of the Contract.

It is the Evaluation Panel's recommendation that Council accepts the Alternate Tender Response received from Belgravia Leisure for all four Separable Portions for the tendered amount of \$2,848,211 (excluding GST), in accordance with the results of the tender evaluation process documented above.

By awarding the Contract to Belgravia Leisure for all four Separable Portions, it is envisaged that Council will save \$800,137 compared to the current costs over the five year initial Contract term.

## RECOMMENDATION

**That Council:**

1. **Accepts the Alternate Tender Response of Belgravia Health and Leisure Group Pty Ltd ATF The Belgravia Leisure Unit Trust (trading as Belgravia Leisure) for all Separable Portions as follows:**

Separable Portion (SP)	Tendered price over five years (excluding GST)
<b>SP1 - Gympie Aquatic Recreation Centre</b>	<b>\$ 907,863</b>
<b>SP2 - Goomeri Public Pool</b>	<b>\$ 651,250</b>
<b>SP3 - Kandanga Public Pool</b>	<b>\$ 657,433</b>
<b>SP4 - Tin Can Bay Public Pool</b>	<b>\$ 631,665</b>
	<b>\$2,848,211</b>

2. **Only approves the initial five year term of the contract and that any future proposed contract extensions be completed via a new recommendation and approval from Council.**

## **SECTION 4: CORPORATE FINANCIAL SERVICES**

### **4.1 Event Request - Gympie Music Mini Muster**

**PORTFOLIO:** Finance and Community Enhancement

**DIRECTORATE:** Corporate Financial Services

**DOC ID:**

#### **LINKS TO CORPORATE/OPERATIONAL PLAN**

##### **STRATEGIC THEMES:**

2. Our Community - active, diverse, creative and engaged
  3. Our Economy - dynamic, productive and resilient
- 

#### **1. BACKGROUND AND PREVIOUS COUNCIL CONSIDERATION**

At Council's Ordinary Meeting on 30 June 2021, Council resolved to allocate \$150,000 in its 2021-22 Budget to provide a cash contribution of \$100,000 and support services to a value of \$50,000 to the Gympie Muster Ltd upon the completion of a grant agreement between the Gympie Muster Ltd and Council that clearly outlines Council's expectations, benefits to each party and key performance targets to ensure that Council's social, economic and cultural objectives are supported and the return on investment is maximised.

Due to COVID-19 restrictions the Gympie Music Muster was subsequently cancelled.

#### **2. REPORT**

Council has received an application from the Gympie Muster Ltd dated 30 July 2021 via the Mayor's Office seeking the reallocation of the cash contribution and support services from the Gympie Music Muster to an event titled the 2021 Gympie Mini Muster.

The Gympie Mini Muster is intended to be run as a mini country music muster with one stage only at the Kilkivan Showgrounds on 27 and 28 August 2021.

Specifically, the Gympie Muster Ltd is requesting that Council provide the following to the Gympie Mini Muster:

- a \$100k cash contribution
- full access at no charge to the Kilkivan Showgrounds from Friday 20 August 2021 to Wednesday 1 September 2021
- permission to run the Gympie Mini Muster inside the Equestrian Arena and the Kilkivan Showgrounds
- provision of septic and general rubbish disposal services
- access to and use of electricity
- access to the shed adjacent to the arena to operate a bar
- provision of public liability insurance under the umbrella of Gympie Regional Council
- provision of any plant at the Kilkivan Workshop deemed necessary for the event to be setup or packed up
- completion of earthworks and drainage at the western end of the arena.

A copy of the request from the Gympie Muster Ltd is attached.

Unfortunately, due to the current building classification of the Kilkivan Equestrian Centre (9b Sporting Complexes), no other type of use is permitted within the Equestrian Centre building.

The Equestrian Centre building has specific restrictions in place for purposes other than an Equestrian Event due to the fire engineering requirements approved through the Building Approval process for the building. The Equestrian Centre building uses alternative fire solutions rather than what would ordinarily be required for a normal Class 9b venue under NCC BCA requirements.

### **3. BUDGET IMPLICATIONS**

Council allocated \$150k to the Gympie Music Muster in its 2021-22 Budget.

With the cancellation of the 2021 Gympie Music Muster, these funds were identified as a partial offset against Council's \$800k materials and services efficiency dividend.

### **4. POLICY IMPLICATIONS**

Council will require the completion of a grant agreement between the Gympie Muster Ltd and Council for the Gympie Mini Muster that clearly outlines Council's expectations, benefits to each party and key performance targets to ensure that Council's social, economic and cultural objectives are supported and the return on investment is maximised.

The grant agreement will also need to be conditional upon the approval of a site specific COVID Safe Plan from Queensland Health for the Gympie Mini Muster.

Council is unable to provide public liability insurance for the Gympie Mini Muster under the terms of its insurance policies.

### **5. CONSULTATION**

The Chief Executive Officer, Director Corporate Financial Services and the Executive Manager Asset Facilities have been briefed on the request from the Gympie Music Muster.

### **6. CONCLUSION**

For the Gympie Mini Muster to proceed, the Gympie Muster Ltd will need to obtain public liability insurance and a site specific COVID plan from Queensland Health for the Gympie Mini Muster. Due to the reduced nature of the Gympie Mini Muster event compared to the Gympie Music Muster, Council officers have recommended reduced support for the event.

## **ATTACHMENTS**

- [1.](#) Incoming request - Greg Cavanagh - Gympie Music Muster



## **RECOMMENDATION**

**That Council resolves to reallocate a cash contribution of \$25,000 and support services to a value of \$25,000 within its 2021-22 Budget to the Gympie Muster Ltd for the Gympie Mini Muster upon the:**

- 1. completion of a grant agreement between the Gympie Muster Ltd and Council that clearly outlines Council's expectations noting that the Gympie Mini Muster cannot be held within the Kilkivan Equestrian Centre building, the benefits to each party and the key performance targets to ensure that Council's social, economic and cultural objectives are supported and the return on investment is maximised**
- 2. obtainment by the Gympie Muster Ltd of an approved Queensland Health site specific COVID Plan for the Gympie Mini Muster**
- 3. obtainment by the Gympie Muster Ltd of public liability insurance for the Gympie Mini Muster.**

## SECTION 5: ATTACHMENTS

### 4.1 Event Request - Gympie Music Mini Muster

ATTACHMENT 1	INCOMING REQUEST - GREG CAVANAGH - GYMPIE MUSIC MUSTER.....	19
--------------	---	----

30 July 2021

Glen Hartwig  
Mayor  
Gympie Regional Council  
PO Box 155  
Gympie Qld 4570

Dear Glen,

Following your phone call last Monday and the encouragement and potential offer of Gympie Regional Council to financially support an alternate event. The Gympie Muster Board has resolved that we should attempt to run an event in place of the cancelled 2021 Gympie Music Muster. Your support will provide financial security while continuing to stimulate the local economy and attract many visitors that otherwise would be seeking other domestic tourism destinations.

As discussed, our plan is to run a mini country music muster (Friday and Saturday) involving only one stage at the Kilkivan showgrounds on the traditional Muster dates i.e. the last weekend in August. We are seeking permission to hold the event in the Equestrian Arena and provide camping for our patrons in the showgrounds. As time is critical, we need to contract artists immediately so the Board has decided to proceed in good faith prior to formal council acknowledgement of support and approval. This new event will be branded as presented by the Apex Club of Gympie & Gympie Regional Council.

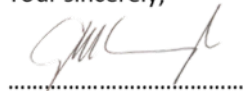
We are seeking the \$100,000 allocated to the 2021 Gympie Music Muster be reallocated to the 2021 Gympie Mini Muster.

In addition to financial sponsorship, we would also request the in-kind support of council services be maintained to facilitate the new event. Identified Council support would include:

- Full access at no charge to the Kilkivan Showgrounds from Friday 20 August until Wednesday 1 September.
- Permission to run such an event inside the Equestrian arena and the Showgrounds.
- Provide septic & general rubbish disposal services.
- Access to and use of electricity.
- Access to the shed adjacent to the arena to operate a bar.
- Provide public liability insurance under the umbrella of the GRC.
- Provide any plant at the Kilkivan workshop deemed necessary for the event to be setup or packed up.
- Completion of earthworks and drainage at the western end of the arena.

Your support and encouragement are greatly appreciated and we hope to continue our close working relationship with Gympie Regional Council to improve the lives of all its residents.

Your sincerely,



.....  
Greg Cavanagh  
Chairman  
Gympie Music Muster