



Ordinary Meeting of Council

SUPPLEMENTARY

AGENDA

28 October 2020

Commencing at 5.30pm

On-site Inspections - Nil

SUPPLEMENTARY REPORTS

9.16 Bungendore Education Precinct Proposal3

LIST OF ATTACHMENTS –

(Copies available from General Manager's Office on request)

Open Attachments

Item 9.16 Bungendore Education Precinct Proposal

Attachment 1 DoE Education Precinct Proposal (Under Separate Cover)

Attachment 2 Sequence of Works (Under Separate Cover)

Attachment 3 Sites for Purchase-Transfer (Under Separate Cover)

Attachment 4 Bungendore Sports Hub and Pool (Under Separate Cover)

Attachment 6 Master Plan

Closed Attachments

Item 9.16 Bungendore Education Precinct Proposal

Attachment 5 DoE Proposal - Commercial in Confidence (Under Separate Cover)

9.16 Bungendore Education Precinct Proposal (Ref: ; Author: Tegart/Tegart)

File Reference: 46.1.1-34

Summary

Council had previously received reports and workshops regarding the Bungendore High School - Education Precinct proposal by NSW Department of Education (DoE) led through School Infrastructure (SI). In order for the proposal to proceed it will necessitate the occupation and use of crown land managed by Council, and DoE acquisition of properties owned by Council in the Majara/Gibraltar Streets precinct of Bungendore.

The Department of Education are planning to construct a new high school in Bungendore with an initial capacity of approximately 400 students by the start of Term 1 2023. DoE are seeking Council's agreement to endorse this proposal (Proposal) and enter into a Heads of Agreement (HoA) to construct a new high school on the Majara/Gibraltar Streets Precinct (MGS Precinct), which adjoins the existing primary school, and joint use agreements for the grounds and facilities.

Further to community and other stakeholder engagement by SI, a revised proposal outlining the siting, scope and sequencing of the high school has now been received and is presented to Council. SI have requested a presentation to Council during public forum at the meeting on 28 October.

Recommendation

That Council:

1. **Note the report on the Bungendore Education Precinct proposal, the scope and sequencing of works associated with the construction; and impacts on Council and community assets.**
 2. **Consider the proposal from NSW Department of Education (DoE) in terms of:**
 - a. **providing support for the establishment of the education precinct and shared-use of facilities;**
 - b. **agreeing to the sale of 2, 4-6 Majara St, 10 Majara St, and the Majara road reserve between Turallo Terrace and Gibraltar St to DoE, based on independent valuations;**
 - c. **authorising the road closure of that part of Majara St;**
 - d. **authorising the CEO to negotiate terms of joint use agreements (MoU) of the Mick Sherd Oval, primary school oval; game courts, reserve, library, multipurpose hall, and sports hub;**
 - e. **noting detail design and traffic plans will form part of a SSDA by DoE for approval by the Minister.**
 3. **Consider reassigning the Abbeyfield aged care residential site from 4-6 Majara St to approx. 1800m² site at Majara St road reserve north of Turallo Tce, and take steps to make necessary planning and administrative actions to enable that use, including:**
 - a. **authorising closure of that part of Majara St;**
 - b. **undertaking site compatibility planning assessment to enable aged care residential use on that closed section of Majara St;**
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(Continued)**

- c. **arranging a peppercorn licence to Abbeyfield to develop and occupy the site as an aged care residential facility.**
 - 4. Further to 2 and 3, amend the Operational Plan to disclose:**
 - a. **the closure of relevant sections of roads;**
 - b. **subdivision and repurposing of part crown reserves;**
 - c. **sale of Council properties at 2, 4-6 Majara St, and 10 Majara St;**
 - d. **leasing of part Majara St road reserve to Abbeyfield Housing under licence;**
 - e. **exhibit for community feedback for 28 days and report back to Council.**
 - 5. Further to 2 and 3, authorise the CEO to identify suitable sites to establish a new Council office in Bungendore to replace the 10 Majara St facility, potentially incorporating a new depot, and report on options and associated estimates**
 - 6. Amend the Financial Plan to include the construction of a new office/depot, and outdoor aquatic facility in Bungendore; utilising proceeds of sale for the construction of the office/depot, and the DoE contribution and new borrowings of \$5m for the pool.**
 - 7. Amend respective development contribution plans to assist debt servicing for those purposes.**
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Background

Further to an initial workshop and report in July 2020 noting DoE were yet to undertake consultation, Council resolved at its August meeting to:

- 1. Note the report on the Bungendore Education Precinct proposal.*
- 2. Support in principle the High School proposal from NSW Department of Education (DoE) in terms of:*
 - a. the establishment of the precinct and co-use of facilities;*
 - b. the sale of 4-6 Majara St, 10 Majara St assets, and Majara road reserve between Turallo Terrace and Gibraltar St to DoE, based on independent valuations, and at worst no cost to QPRC and provided that DoE compensate Abbeyfield for all DA costs and fees incurred to date associated with 4-6 Majara St;*
 - c. authorising the CEO to negotiate a more favourable and equitable financial contribution to QPRC for the construction of a new swimming pool than currently provided for in "The Offer" (Page 5 of the DoE Proposal) and new front office facility, and*
 - d. negotiate terms for joint use agreements (MoA) of Mick Sherd Oval, with the oval remaining under Council management and DoE making an annual contribution to its maintenance, with the agreement to also include courts, reserve, library, school performance hall, and sports hub; and modify permissible uses on the respective plans of management on a cost recovery basis.*
- 3. Receive a further report (public) on the Bungendore Education Precinct proposal based on the negotiation outcomes of Item 2 (above).*

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(Continued)**

4. *In parallel, request a briefing for the Bungendore Locality Committee by the DoE on the proposal (similar to that which has already been provided to all Councillors) for advice to Council.*
5. *Seek a proposal from DoE to address the staging and delay impacts of the High School on the Abbeyfield development.*
6. *Forward the written submissions from the public forum to DoE.*

Councillors received a presentation from SI outlining the results of the stakeholder engagement, community survey and drop-in community information hub on 7 October, and then a presentation on an updated proposal having regard to that engagement and councillor feedback at another workshop on 21 October.

Further to the August resolution, SI met with the Bungendore Locality Committee and Abbeyfield Committee to discuss the proposal and options; and met with staff to discuss mechanisms to fund and manage the joint use of grounds and facilities - resulting in the modified elements included in the proposal. Staff forwarded the submissions received by Council to SI in accord with the August resolution.

This report presents the updated proposal from SI for the Bungendore Education Precinct at Attachment 1, together with a combined schedule of works for SI (high school) and QPRC (sports hub, office and pool) at Attachment 2, and a table nominating the acquisition or transfer of sites at Attachment 3. The commercial in confidence elements requested by SI are provided for councillors only.

Implications***Proposal***

The project generally includes:

- A new high school in the MGS precinct with some core infrastructure future proofed for 600+ students and classrooms, initially providing for approximately 400 students. This includes the acquisition of the existing Council office building and its refurbishment for educational use.
- Three new classrooms to the existing primary school to replace the existing demountable buildings.
- A new building to support the community library, QPRC shopfront and community centre.
- A new agricultural support building and agricultural plot located on Turallo Street.
- New car parking both for the high school and to offset existing parking lost as part of the project.
- Realignment of the Mick Sherd playing field slightly west.
- A new playing field and amenities block in the primary school.
- Relocation of the Abbeyfield development site.

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(Continued)**

Legal

A number of legal matters come into play:

- Council may consider unsolicited requests to sell or acquire property under the *Local Government Act 1993*.
- Both reserves (Sherd and Turallo) are classified as community land under that Act
- Section 4.12 *Crown Lands Management Act 2016* may be used as an alternative to reclassification
- Confirm amended uses in a Plan of Management
- Consideration of Native Title interests under the *Crown Lands Management Act 2016*
- Process to close part of Majara Street under the *Roads Act 1993*
- Should the office building close, and new premises be established, 79 staff FTE that existed at the time of merger must be retained in Bungendore under s218CA of the *Local Government Act 1993*; and significant changes for staff be notified per the Award

The proposed development is understood to be State Significant Development which means that it will be identified in the *State Environmental Planning Policy (State and Regional Development) 2011*, and the development application will be determined by the Minister for Planning.

The RE1 Public Recreation Zone in the PLEP 2012 allows “information and education facilities” to be erected with consent. However a school is separately defined as an “education establishment” and would not be permissible in the RE1 zone under the PLEP 2012.

The same would apply to the SP2 Infrastructure (Public Administration Buildings) zone and R2 Low Density Residential zones on which the school is proposed to be built. However, by virtue of clause 33 of the *Educational Establishments SEPP 2017*, development for a school is made permissible in these two zones. The provisions of the SEPP override those of the PLEP 2012.

Mick Sherd Oval, Turallo Reserve and parts of the existing Primary School site are all heritage sites and will require consideration in the assessment of the State Significant development application. The adjacent private heritage-listed properties at 16 Majara St and 63 Turallo Terrace are not impacted by the proposal.

Sustainability

While subject to design and a development application, the school construction proposal includes several building and operational sustainability initiatives.

Asset

Council is the land manager of the 4ha Crown Reserve 1000193 (Mick Sherd) and the 2.5ha Crown Reserve 94996 (Turallo). DoE has proposed a MoU with Council to maintain the reserves utilised for school curriculum (eg PDHPE and agriculture). Council has other MoU's in place in the LGA where it maintains the grounds (eg sports ovals) and Education maintains facilities (eg halls) under joint use arrangements.

Other facilities on Mick Sherd remain in Council management, including the oval amenities, carparking, tennis courts (and its expansion), playground, war memorial and balladeer rotunda (to be relocated by DoE). The swimming pool is proposed to be demolished by DoE, upon which a new multipurpose hall and performance space would be constructed. Approximately

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2ha of the 2.5ha Turallo Reserve not occupied by the agricultural plot would still be available for community use, including dog exercise. The war memorial and gardens is not expected to be impacted.

Section 3.2 of Attachment 1 outlines the DoE proposal in relation to community assets and shared uses.

Share Use

The shared use agreement is established on a 50-year term so that:

- Responsibilities for maintenance of the grounds or facilities by QPRC or DoE are clear
- Contributions to/by QPRC or DOE to maintenance of the grounds and facilities is calculated as a one-off payment, and offset
- The occupation of community centre, shopfront and library as tenant of DoE, requires ongoing payment of metered outgoings and maintenance of internals/F&F by QPRC
- Both parties appropriately insure the PL on those grounds and facilities
- DoE exclusive use during school hours is clear
- Online bookings should be established for facilities (hall, library, meeting rooms, courts), with school hours or school events blocked out
- Community carparking sites are nominated, and school carparking is available for community out of school hours

The community centre at 2 Majara St (N06) is proposed to be demolished last by DoE, upon which parking and future school expansion is proposed. The same uses are proposed for the vacant land at 4-6 Majara St (N09). A nett increase of 40csp is proposed, though further may be provided by formalising parking at the rail station.

The additional carparking proposed in the precinct by DoE, would be available for community use out of school hours as part of the MoU.

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The image below illustrates the maintenance responsibilities of DoE and QPRC, to be formalised through an MoU:



Key	Existing use	Proposed use
N06	Community centre	Carpark
N09	Vacant land	Carpark/expansion
N05	Council offices (PCB)	High school
N04	Mick Sherd/Majara St	School admin/classrooms
N07	Pool	School hall, library
N21	Mick Sherd	Game courts, play area

Sequence of Works

With reference to Attachment 2:

- The Mick Sherd playing field will be closed for approximately the duration of (calendar year) Q1 2021 while it is being realigned. It will be open in time for the winter sports in Q2 2021.
- The pool will be demolished in Q2 2022 at the end of summer. The new aquatic centre (by QPRC) is expected to be open by Q4 2023.
- QPRC will be required to vacate the PCB by 30 June 2022 to allow a six-month window to repurpose the PCB for school uses ahead of the school opening by early 2023.
- The new Community Centre, QPRC shopfront and community library will be relocated into the new building by Q3 2023. Once this occurs, the old community library will be repurposed into new primary school classrooms and the existing Community Centre

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will be demolished. The Community Centre, QPRC shopfront and community library will continue to operate from their current locations until the new facilities are completed.

Council Works

The proposal does however require additional works and costs to Council:

- Bringing forward Stage 3 works at the Bungendore Sports Hub (new outdoor heated 8 lane 25m covered pool facility) by summer 2023. It is understood the former Palerang Council previously estimated \$9m to refurbish the existing outdoor pool
- Sourcing and constructing a new office, with potential to co-locate depot facility in Bungendore, by mid-2022
- Library, community centre and shopfront fitout in new building by mid-2023, noting F&F may be repurposed from existing facilities

Impact on Usage

With reference to the schedule of works (Attachment 2), it is understood competition use on Mick Sherd Oval will not be interrupted and remains accessible for sporting competitions for 2020 and 2021 seasons, with the main competitions capable of relocating to the new Bungendore Sports Hub from the 2022 season. Similarly, the pool remains available for the 2020 summer season, unavailable for 2021 season, and the new pool open at the Sports Hub from the 2022 summer season.

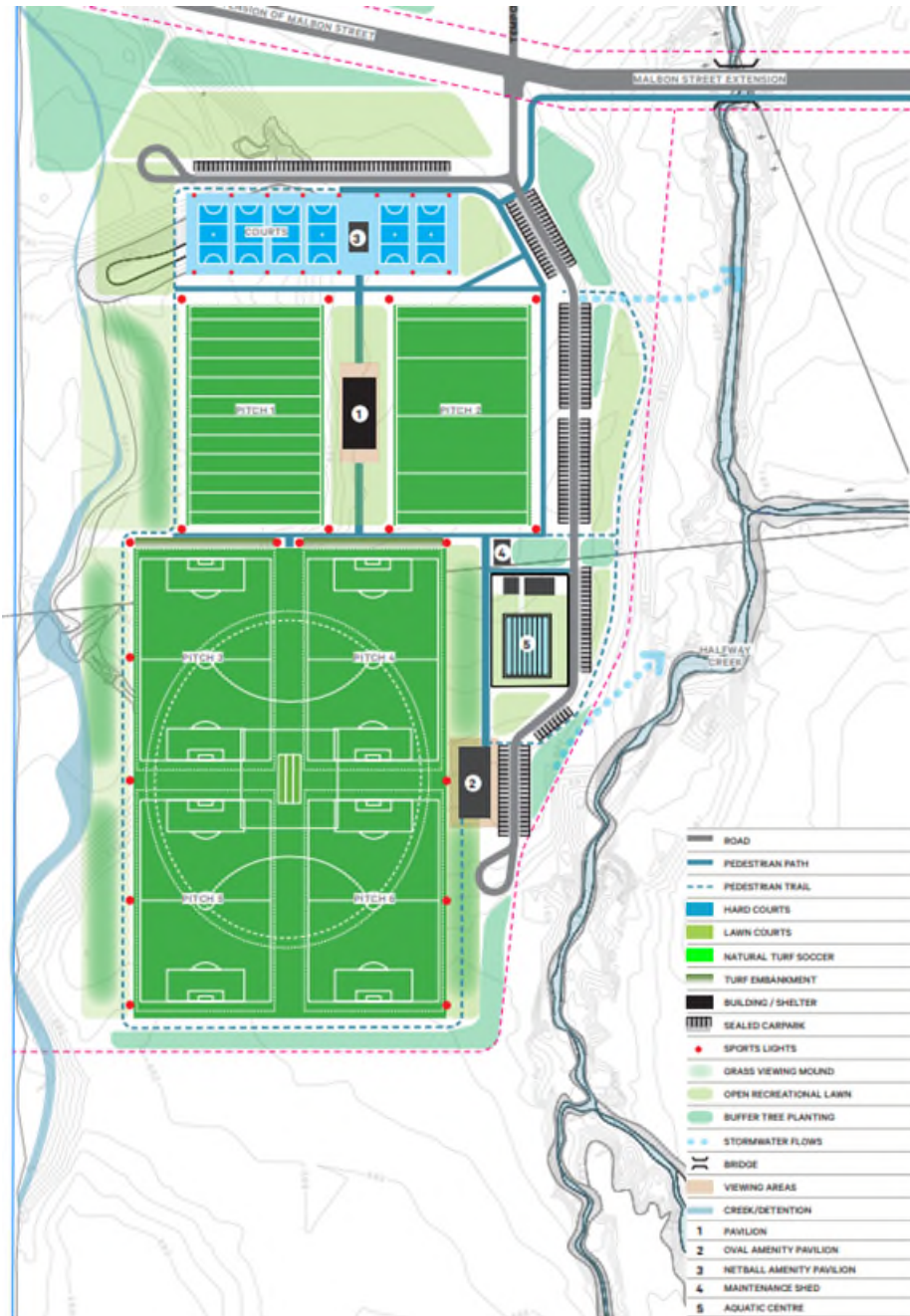
DoE have offered to assist the transport of Bungendore residents to other aquatic facilities while the local pool is unavailable.

Community/Council Assets to be sold/transferred to DoE

As part of the offer, six parcels of land are subject to acquisition by the DoE, detailed in figure 1 and in the below table:

Ref	Address	Action
1	Lot 3, DP 1139067 No. 10 Majara Street	QPRC owned land – Ownership to be transferred to DoE. (QPRC to retain the existing generator for relocation to their new QPRC depot).
2 & 3	Lot 14 & 15, DP 1139067 No. 4-6 Majara Street	QPRC owned land – Ownership to be transferred to DoE.
4	Lot 12, DP 1139067 No. 2 Majara Street	QPRC owned land – DoE acquire at valuation.
5	Majara Street (between Gibraltar Street & Turallo Terrace)	QPRC owned land – Ownership to be transferred to DoE. QPRC agree to permanently close section of road.
6	Lot 701, DP 1027107 Mick Sherd Site	Crown Land. DoE will secure part of this site through Crown Lands – QPRC agree with Crown Land subdividing as illustrated.
7	Lot 701, DP 96240 Turallo Terrace – agricultural plot	Crown Land. DoE will secure part of this site through Crown Lands (approx. 4,500sqm) to support its agricultural curriculum.

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It is understood the Scouts have agreed to site and structure changes at their Turallo facility, at DoE expense; while Abbeyfield have agreed to the relocation of their nominated aged care residential development site from 4-6 Majara St to an approx. 1800m² flood free section of the Majara road reserve adjacent to the Scout Hall.

Further, DoE have offered to compensate planning and design costs expended by Abbeyfield. To progress that new site, Council should now facilitate a site compatibility planning assessment, close that section of the road reserve, and progress a peppercorn ground lease for the site. The balance of the SCF \$50k grant used for planning and design should be made available by Council to Abbeyfield, and the \$500k SCCF grant as capital collateral to assist construction of the residential facility by Abbeyfield, and attract further grants, should be confirmed by Council.



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Engagement

DoE launched an online Community Engagement Survey in August seeking input into the broader master planning process. Over 700 responses were received from the community, which found over 80% expressed positive sentiment towards the proposal to build a new high school in Bungendore. DoE also opened a Community Information Hub (Hub) in Bungendore across four days, which was promoted through social media, print media and a targeted email campaign - 89% felt the proposed new high school in Bungendore will benefit the local community and 74% felt that the MGS precinct is an appropriate site location for the proposed new high school in Bungendore.

Financial

The commercial in confidence Attachment 5 outlines the financial offer by SI, including:

- Acquisition of 2-10 Majara St properties
- Road closures
- Abbeyfield expenses compensation
- Terms of shared maintenance, use and operating costs to be incorporated into lease and MoU
- Capital values of new library, community centre, playing field and courts constructed by DoE
- Capital contribution for pool
- Contributions to/by QPRC or DOE to maintenance of the grounds and facilities is calculated as a one-off payment, and offset
- The occupation of community centre, shopfront and library as tenant of DoE, requires ongoing payment of metered outgoings and maintenance of internals/F&F by QPRC

Should the proposal proceed, it is understood the purchase/capital contributions would be paid by June 2021, enabling progress and funding of construction for the new QPRC facilities.

Council had not included the upgrade/extension of the Bungendore pool in the LTFP, intending ultimately to relocate to a new facility at the Sports Hub as Stage 3. The proposition from DoE has brought forward that prospect. The preliminary estimate for a new outdoor heated and covered 8 lane 25m facility is in the order of \$9-10m, necessitating a loan of up to \$5m (@\$320k/yr P&I). The former Palerang Council is understood to have prepared a preliminary estimate of \$9m to refurbish the current pool, relying on grants for that purpose.

A DA for the pool would be required, and likely a design and construct contract initiated to enable use of the new facility from the 2023 season.

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Program Code	Expense Type	Element		Amount
	Capital	Construction new office +/- depot	Property res	\$3.75m
	Capital	Construction new pool	DC/debt	\$10.0m
	Capital	Fitout new customer centre, library, community centre	Property res	\$0.33m
	Operating	Rent existing PCB, community centre		Nil
	Operating	Rent new customer centre, library, community centre	MoU	Nil
	Operating	Additional M&R grounds ~school uses	MoU	Nil

Resources (including staff)

The DoE proposal to acquire the PCB assumes Council has established a new office facility by mid/end 2022, and until then, will lease back the current office to Council. Construction of a new facility should accommodate staff growth, and potentially afford efficiencies with a co-located depot.

Should Council endorse the DoE proposal and proceed to sale, a staff working group would be established to identify sites for potential office or co-location of depot/office, noting the library and customer shopfront remains at the MGS precinct. Council is obliged to retain staff 79.01 FTE in Bungendore under s218CA post-merger provisions. Relocation necessitates significant workplace change, triggering Award mandated actions.

Integrated Plan

As the proposed sale of property and works was not forecast with the Operational Plan 2021, nor the education uses in the plan of management for the Reserves, those amendments should be exhibited for community feedback and reported to Council. The establishment of a new office/depot should be extended into the next Delivery Program.

Conclusion

DoE advised over a 12 month period, it undertook an assessment of over 1,000 hectares of land in and around Bungendore. Each site was assessed based on its suitability to support the needs of the project. This included availability of services such as sewage, electricity and roads, environmental constraints such as bushfire, ecological impacts and flooding.

A public expression of interest was initiated as a site was not initially found that met the needs of the project, however following a due diligence investigation of the additional sites, they too were also not found to be suitable for this project.

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The Majara/Gibraltar St precinct was subsequently investigated and found to be the most suitable location, meeting the above base criteria. DoE indicates the site offers many advantages as it is:

- well situated being in the centre of town with excellent access to the core population of Bungendore;
- has multiple street frontages for easy access;
- allows for the potential for shared facilities with the rest of the community; and
- is next to the local primary school which allows for the creation of a co-located educational campus, bringing countless synergies between the two schools.

DoE have summarised the benefits to the Bungendore community as:

- Creation of a new high school within the heart of the Bungendore community, which surveys have shown an overwhelming community support;
- Continued use of all sporting assets on the Mick Sherd Site, with the exception of the pool;
- Payment from DoE to fund the sale of land and provide a capital contribution towards costs associated with the new aquatic centre at the BSH;
- New community library, Community Centre and a QPRC customer service shopfront;
- Joint use of high school facilities such as the new multipurpose hall, sporting courts and the new playing field in the existing primary school;
- Generation of approximately 40 new permanent employment opportunities.

Attachments

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Attachment 2	Sequence of Works (<i>Under Separate Cover</i>)
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Attachment 4	Bungendore Sports Hub and Pool (<i>Under Separate Cover</i>)
Attachment 5	DoE Proposal - Commercial in Confidence (<i>Under Separate Cover</i>) – CONFIDENTIAL
Attachment 6	Master Plan (<i>Under Separate Cover</i>)