

11. MANAGEMENT REPORTS

11.2 LATE REPORT - MURRAY REGION FIRE PROTECTION GRANT

REPORT AUTHOR: MANAGER TECHNICAL SERVICES

RESPONSIBLE DIRECTOR: INTERIM GENERAL MANAGER

EXECUTIVE SUMMARY:

The NSW Government has announced a \$12.9M forestry funding package to provide protection of critical timber supplies in the Murray region. This package will build better resilience into this important regional industry through measures to deliver fire prevention, detection and response works that have been developed following consultation with forestry industry groups and government agencies.

The projects funded in the Murray Region will be administered as a pilot program with monitoring and evaluation of the program to be undertaken by the Department of Primary Industries and Regional Development. The monitoring and evaluation will assist in determining if there is potential to broaden this type of program across the State. From the funding, Council has been identified as the recipient for the ownership and delivery of three (3) projects requiring submission of grant applications through a non-competitive process.

RECOMMENDATION:

THAT COUNCIL:

- 1. Endorse proceeding with application for the Tumut Aerodrome water supply for fire management**
- 2. Defer consideration of the Tumut Aerodrome - Hangar application until further information is available through a potential Round 2**
- 3. Defer consideration of the Specialist Tractor and Mulcher until further consideration and quantification of opportunities can be confirmed.**

BACKGROUND:

The softwoods industry has been successful in receiving \$12.9M in funding for prevention, detection and response in relation to fires in the Murray Region through the Department of Primary Industries and Regional Development. The Softwoods Working Group (SWG) has met, nominated and prioritised various projects in the Region to nominate to the Fire Reference Group based on the program guidelines and outcomes of the Australian Government Black Summer Royal Commission and New South Wales Government Bushfire Inquiry.

Bushfires burned through approximately 45,000 hectares of softwoods plantation in 2019/2020 in the Murray Region. This has impacted the regional \$2.287 billion per year industry contribution to the economy as well as highlighting the need to protect all industries and local communities within the region. The softwoods industry indirectly contributes to the employment of 5,522 Full Time Equivalents (FTE) in regional NSW and within Snowy Valleys Council (SVC) is 1120 (or 17.1%) people are directly employed in the Plantation Industry. When the indirect employment multiplier of 2.5 is applied then total employment generated by the Plantation Industry increases to approximately 2,800 or 42%.

The Murray Region Fire Protection Grants are required to be submitted by 22 October 2024. Project completion and acquittal is required by 31 December 2025 per the program guidelines.

REPORT:

Snowy Valleys Council has been nominated by the Fire Reference Group (a Ministerial appointed committee) to apply for funding for three (3) separate projects in a non-competitive process. The projects are the construction of a raw water supply line to the Tumut Aerodrome, the construction of a Helicopter Hanger at Tumut Aerodrome and the purchase of a Reach Mower and Tractor.

Tumut Aerodrome water supply for fire management

Access to fixed, appropriate bulk water supply and storage to support aerial and ground suppression is limited, with water having to be tanked to site during operations for the replenishment of aerial assets at the Tumut Aerodrome. This ties up bulk water carrying capacity that could otherwise be deployed to support on ground fire suppression requirements.

Key aspects of the project include;

- 1.5km water main
- Pumping Station
- Water Management System and
- Minimum total storage of 100,000 litres in tanks

Significant CAPEX investment that would enhance the regions firefighting capabilities and support further regional and firefighting investment including the construction of the Fire Control Centre. The investment injection will have a demonstrable multiplier effect (i.e. support business case for further community and fire investment, redeployment or bulk tankers to support suppression efforts in field).

Being successful would provide improved security and management of bulk water supply providing and enabling better provision for firefighting efforts in the region.

Project amount - \$1,870,000 including a 20% contingency

An aerial map of two proposed options is included as Figure 1 below:



Figure 1: Proposed water supply options

Tumut Aerodrome - Hangar for fire suppression aircraft

Fire-fighting aircraft such as the 'Bell 412' chopper require specialised infrastructure when not in operation. Currently, Tumut Aerodrome does not have hangar infrastructure with the required security to facilitate such aircraft. The hangar would be located in the airport precinct with the future RFS Fire Control Centre.

Housing of specialised equipment locally will provide faster response and identification of potential fires that would impact the industry and surrounding areas. Faster fire identification and intelligence will also improve targeted ground response and resource allocations and allow for better advocacy outcomes for future infrastructure.

Project amount - \$3,850,000



Figure 2: RFS footprint at Tumut Aerodrome

Further, Council has also forwarded correspondence to the NSW Rural Fire Service on 25/09/2024 seeking confirmation that Council's annual maintenance allocation will be increased for ongoing maintenance on the Hangar.

Considering the above Council is unable to recommend an application be made for the Hangar at this point and that further due diligence be undertaken to apply for funding under a second round, if available.

Specialist Tractor and Mulcher for Fire Management

Purchase of a specialist tractor and slasher / mulcher to assist in managing roadside vegetation. There is currently no plant in the region which can be used by Council to effectively maintain roadside vegetation on slopes or batters within strategic road corridors. Previously, capital budget has been an inhibitor for the purchase of such specialised machinery.

The equipment will enable improved management of roadside vegetation within the region. Current roadside vegetation control has been moderately effective, as road managers (including Council) does not own the specialised equipment needed to undertake the mechanical control and there is risk in using chemical treatment as an effective control. The post Black Summer Bushfire regrowth areas has seen significant regrowth within road corridors, and these are strategic fire breaks.

The tractor and mulcher are expected to be run under Council's plant replacement program with works funded through Council allocated budgets, Rural Fire Service (RFS) budgets and the Road Maintenance Council Contracts (RMCC).

Project amount - \$330,000

In relation to this project in particular, Council has sought additional information and received an initial response from the Softwoods Working Group including:

1. The date (22 October) to submit an application is too short given Management is still gathering the information to enable an informed report to be submitted to Council. ***There is likely to be a second round of funding and Council may choose to hold this project for that funding round.***
2. The grant guidelines only allows 10% for Project Management and Administration; this is too low and should be at least 15%. ***It is likely that project management expenses of 15% will be allowable.***
3. The date to complete the projects being the 31 December 2025 is too short particularly with Council existing major project commitments. ***This is under review.***

4. The projects and particularly the Hanger construction needs to be fully scoped and costed prior to the submission of an application. ***Noted and a second round application would facilitate this.***

Snowy Valleys Council in recent history has found it difficult to scope and deliver projects in constrained timeframes with limited resources. The budget allowance for Project Management and Administration under this grant is limited to 15%, which only just covers Council's operational overheads.

The scoping and delivery of the Aerodrome Hangar is based on information not prepared by SVC and provided by other government organisations. For more confidence around delivery and compliance with timeframes, budget, scope, and other relevant conditions, Council would need to undertake more investigation for the construction of the Aerodrome Hangar.

Council currently has tractors and slashers based in both key towns. Their utilization is low over a full year with operation mainly focused around the spring and summer growing months to combat grass and vegetation growth within the road corridor. This helps to provide a narrow potential fire break within the road corridor for fire fighting activities.

Carlie Porteous, Executive Office of Softwoods Working Group and Industry representatives will be presenting in the Workshop to be held prior to the Council meeting on 17 October 2024.

LINK TO COMMUNITY STRATEGIC PLAN AND DELIVERY AND OPERATIONAL PLAN:

Integrated Planning and Reporting Framework:

Delivery Program and Operation Plan Strategic Directions

Theme 1 - Our Community

Theme 3 - Our Environment

Theme 4 - Our Infrastructure

Theme 5 - Our Civic Leadership

Community Strategic Plan Objectives

CSP1 Our communities are connected and inclusive. Supported by services that nature health, wellbeing and identity

CSP2 Our diverse economy supports community longevity, vibrancy and a sustainable future

CSP3 Our natural environment is cared for and protected to ensure future generations can experience and enjoy its beauty

CSP4 Our infrastructure includes Council services that plan, manage, maintain and renew our community infrastructure and transport networks

CSP5 Our Civic leadership and organisation government fosters open and transparent partnership with our community

Delivery Program Principal Activities

1.4 Plan, manage and support the response and recovery of communities from natural disasters and economic shocks

3.1 Create climate resilience through our actions and advocacy

3.4 Partner with other agencies to protect our natural spaces and environment

4.2 Manage and plan for affordable infrastructure to meet current and future community needs

5.6 Proactively support and advocate for the needs of the community to other levels of government and organisations

FINANCIAL AND RESOURCES IMPLICATIONS:

The identified projects are outside of Council's current budget and asset renewal planning. The construction of new assets increases Council's depreciation and maintenance liabilities of which the costs are not eligible under the program guidelines.

Depreciation

Council currently has an average useful life for underground water mains of 100 years based on Institute Public Works Engineers of Australia (IPWEA) guidelines with ancillary assets in this category having useful lives of between 30 and 100 years. The construction of the pipeline would therefore add up to \$20,000 to Council's depreciation expense.

The construction of a helicopter hangar, large enough to accommodate a 412-equivalent helicopter, would add up to \$82,000 to Council's depreciation expense, based on Council's current 45-year useful life of equivalent buildings.

Maintenance

Council has engaged with the Rural Fire Services as to the operation and maintenance of the hangar and is currently awaiting a response.

Maintenance of the Tractor and Slasher would be included in its charge out rate and intended to be recouped through utilisation.

The raw water supply line to the Tumut Aerodrome will be managed in parallel with Council's other raw water supply infrastructure. It is not anticipated that other users would be connected to this line and consideration of other users has not been included in design or costings.

POLICY, LEGAL AND STATUTORY IMPLICATIONS:

All projects will be delivered in line with Council's *Procurement Policy* and *Project Management Framework*.

Rural Fires Act 1997

Local Government Act 1993

Resolution M239/21 (3a) - 21 October 2021:

3. Draw Council's attention to the following matters:

- a) The accounting treatment for the Rural Fire Service Assets where Council officers support the position in the draft financial statements to not recognise Rural Fire Service assets including land, buildings, plant, and vehicles based on Australian Accounting Standard requirements and until the matter is progressed with the NSW Audit Office and further advocacy undertaken by impacted councils for the legislation to be changed.

RISK MANAGEMENT / COST BENEFIT ANALYSIS:

RISK CATEGORY	RISK/REWARD DESCRIPTION	COST/RISK	BENEFIT/ REWARD
Legal	Nil	With approval to apply for these grants, Council would inherit additional assets that it	<i>Rural Fires Act 1997</i> Division 4 (3) requires "The local authority for the rural fire district for

RISK CATEGORY	RISK/REWARD DESCRIPTION	COST/RISK	BENEFIT/ REWARD
		is required to recognise, although currently Council does have a formal arrangement for the management of new facilities.	which a fire control officer is appointed must provide facilities and accommodation to enable the fire control officer to exercise his or her functions."
Environmental & Public Health	Council's failure to engage with this opportunity could limit the region's ability to respond to any fire threat and further impact the environment and industries that operate within our LGA.	Nil	Successful grant of funds would provide vital infrastructure and equipment to respond to future emergency events.
Financial	There is potential for the specialised Tractor and Slasher/Mulcher to be used for works outside of Council's current works program including on neighbouring Council's road corridors and other areas including TfNSW, NPWS controlled roads as well as Forestry Corporation and private forestry controlled areas.	Council could acquire an additional \$102,000 worth of depreciation from the fixed assets being constructed. Council currently receives approximately \$107,000 in rates annually from Freehold land plantations.	Protection of industry assets in the area will not create direct economic benefit for Council, however continued growth and investment in the area.
People	SVC boundary employment base is significantly focused around agriculture and forestry industries. Failure to engage with the protection of these industries will have a negative effect on Council's relationships with its rate base.	Council currently has a vacant maintenance position that can be tailored to suit the operation of the specialised Tractor and Slasher/Mulcher considering the expertise that will be required to operate the equipment.	Engagement and support of industry will continue to encourage growth and investment within the Local Government Area.
Technology	The connection of the raw water main supply to the Tumut Aerodrome will include remote operation and management. This can be linked into Council's current water communications		The raw water main supply to the Tumut Aerodrome will free up other resources for on ground firefighting. The technology associated with the Tractor and Slasher is not commonly used by

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	platforms or kept separate for sole operation from the airbase. Acquisition of a specialised Tractor and Slasher/Mulcher will enhance Council's Fleet capacity.		Council's so could see an improvement in productivity and delivery outcomes.
Stakeholder	Failure to engage with, and be involved, in the protection of our communities and local industries could result in significant detrimental impact to Council's reputation.	The forecast operational cost for the specialised Tractor and Slasher/Mulcher, excluding operator, is \$150 per hour for the machinery. Compared with current setup being \$95.00. Council has been allocated over the last 5 years approximately \$48,000 per year by the Rural Fire Service towards protection works along the road corridors and in proximity to key assets. There is scope for this to be increased based on the Bushfire Risk Management Plan that is currently in Draft.	Council will be in a position to increase its involvement in protection of various assets throughout the LGA from bushfire through the wider control of grassed areas adjacent to roads.
Service Delivery	Council will be able to provide an increased, maintained clear zone with a larger piece of equipment within the road corridor. It will be operated by the Maintenance Team with the designated position currently vacant and to be recruited. This is a specialised piece of equipment due to the multiple focal points during operation and will require specific training and induction.	<u>Specialised Tractor and Slasher/Mulcher.</u> Current utilisation is 219 hours per year being booked out, with industry benchmark for use being 500 hours per year for an 8 year replacement program for a tractor. <u>Raw Water Supply Line</u> Council currently assists during fire response activities with the supply of water to the aerodrome through bulk water tankers. This need will be reassigned	The increased width of maintained area within the road Corridor would provide a more advantageous position to defend an approaching fire from for fire fighters.

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		to provision of bulk water to the fire ground with the water supply delivery to the aerodrome managed by the airbase operators.	

OPTIONS:

1. Adopt as per recommendations set out in this report - preferred option
2. Amend the recommendations set out in this report.
3. Decline the recommendations set out in this report.

COUNCIL SEAL REQUIRED:

No

COMMUNITY ENGAGEMENT AND COMMUNICATION:

Community engagement and communication on the projects will be facilitated through the Softwoods Working Group and Council's current systems.

ATTACHMENTS

Nil.