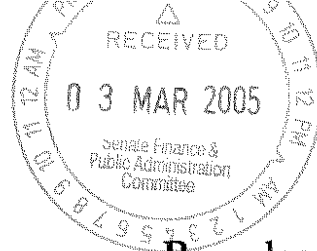


When Contacting Council please ask for
Mr G W Day
Tel: 07 5540 51012
Ref: GWD"lmk



Beaudesert Shire
A region of many colours



28 February, 2005

Mr A Sands
Secretary
Finance & Public Administration References Committee
Parliament House
CANBERRA ACT 2600

Dear Mr Sands,

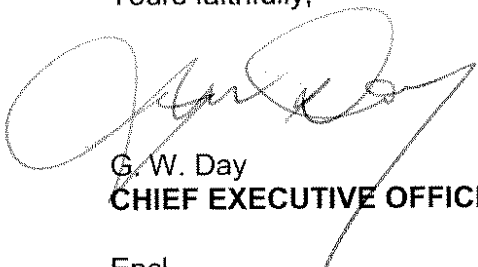
Re: Inquiry into the Regional Partnerships Program

I refer to the appearance of the Mayor, Cr Drescher and myself at the Inquiry into the Regional Partnerships Program in Brisbane on 25 February, 2005 and provide the following further information in response to requests from the Committee Chair:

1. **Zoning of Beaudesert-Bethania Branch Line Corridor** – I confirm the zoning is Special Facilities;
2. **Zoning and Tenure of "Old" Canungra Branch line** – The old rail corridor is now road reserve and runs from the centre of Logan Village into the proposed Yarrabilba development. There is no zoning attached to the road reserve; and
3. **Council Minutes** – I enclose a copy of part of the Minutes of an Ordinary Meeting of Council held on 26 August, 2003 relating to Beaudesert Rail and Council's grant of \$200,000.00.

I trust the foregoing information is of assistance.

Yours faithfully,



G.W. Day
CHIEF EXECUTIVE OFFICER

Encl

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4.3 SEGRA 2003 - SUSTAINABLE ECONOMIC GROWTH FOR REGIONAL AUSTRALIA - SEVENTH NATIONAL CONFERENCE
File Ref: 13/27/01/01

Executive Summary

Chief Executive Officer advising that the 2003 Sustainable Economic Growth for Regional Australia (SEGRA) Seventh National Conference will be held on the Gold Coast from 15-17 September, 2003.

Budget Implications

Councillors' Conference Votes

Officer's Report

SEGRA seeks to identify the key characteristics of regional resilience, showcase successful regional strategies, highlight issues affecting regional resilience such as Governance, integrating economic, social and environmental issues and linking local industry to regional trends, and identifying local needs.

Action agenda topics for 2003 are:

- Defining regional resilience
- Managing economic, social and environmental sustainability
- Governance and regional development
- Regional identity, marketing and industry
- Developing regional cohesion
- Regional tourism
- Urbanisation and regions
- Approaches to economic development
- Influencing decision making
- Harnessing regional knowledge and skills
- Developing regional agendas
- Successful regional project implementation
- Skills for regional work
-

Chief Executive Officer's Recommendation

That Cr Munn be authorised to attend the 2003 SEGRA Seventh National Conference to be held from 15-17 September, 2003.

Moved Cr Munn, seconded Cr Harvey, that the Chief Executive Officer's Recommendation be adopted.

CARRIED UNANIMOUSLY

4.4 BEAUDESERT RAIL
File Ref: -08/0177111000.0000; 07/07/01

Executive Summary

Chief Executive Officer advising that Council has previously agreed to make a further grant to Beaudesert Rail of \$200,000.00 available in 2003/04 for operational costs as a once off grant subject to conditions. Clarification of further support from the Federal and

State Government has been provided. Authority is now sought to finalise the grant to Beaudesert Rail.

Budget Implications

\$200,000.00 will be provided from available funds.

At the Ordinary Meeting of Council held on 24 June, 2003 Council adopted the following recommendation:

That the General Manager, Beaudesert Rail be advised as follows:

1. *Council is prepared to make a further \$200,000.00 available in 2003/04 to Beaudesert Rail for operational costs as a once-off grant, however, in order to protect Council's interest, the grant will be subject to the following conditions to Council's satisfaction:*
 - (a) *Clarification of conditions attaching to the Federal Government loan of \$400,000.00 and assurance of ongoing financial support from the Federal Government;*
 - (b) *Confirmation of the State Government's support for the project incorporating a satisfactory outcome in relation to monies owed to the State Government; and*
 - (c) *Development of a sound business plan and an assurance as to the long term viability and management of the project; and*
2. *Council is not prepared to support the implementation of a Cultural Levy.*

Since that time, clarification of State Government support has been provided (refer Ex 1.).

The Commonwealth Department of Transport and Regional Services has provided a summary of the terms and conditions on which the Commonwealth loan facility will be made available (refer Ex 2).

Council representatives met with Beaudesert Rail's General Manager, Ken Devencorn and Beaudesert Rail's Provisional Liquidator, Lachlan McIntosh on 22 August, 2003 to discuss a number of matters related to the current situation and conditions attaching to Council's grant. A copy of the record of the meeting is attached (refer Ex 3).

Council has also been advised that the winding up hearing in the Supreme Court has been adjourned to 5 September, 2003.

Conclusion

Substantial progress has now been made towards securing the immediate future of Beaudesert Rail, however, a number of matters still remain to be resolved. Given that the winding up hearing has now been adjourned to 5 September, 2003, it is desirable that Council delegate authority to finalise provision of the grant.

Chief Executive Officer's Recommendation**That:**

1. Council note the information received and current position in relation to Beaudesert Rail;
2. Council continue to negotiate provision of a grant of \$200,000.00 in 2003/04 to Beaudesert Rail for operational costs as a once off grant, subject to satisfaction of the following conditions:
 - (a) Evidence to Council of satisfaction of conditions attaching to the Commonwealth Government Loan of \$400,000.00; and
 - (b) The grant must not be used:
 - (i) To pay or discharge any liabilities of the association to Queensland Rail; or
 - (ii) To pay or discharge any liability of the association to the Australian Taxation Office or any other Commonwealth agency, authority or department; or
 - (iii) To pay or discharge any liability of the association to its unsecured creditors.
 - (c) Security be taken over appropriate assets of Beaudesert Rail with a view to security being extinguished after three years of operation satisfactory to Council;
 - (d) Council's grant of \$200,000.00 be paid in four equal instalments over a period no greater than 12 months, subject to negotiations with Beaudesert Rail;
 - (e) Commitment to preparation and submission of a marketing plan to Council's satisfaction;
3. In accordance with s472 of the *Local Government Act 1993*, Council delegate authority to the Mayor, Chairperson Finance & Executive Committee and the Chief Executive Officer to negotiate and finalise Council's grant to Beaudesert Rail; and
4. Council require appointment to a position on the Board of Beaudesert Rail, subject to determination of an appropriate corporate structure.

Moved Cr Steindl, seconded Cr Petersen, that the Chief Executive Officer's Recommendation be adopted.

CARRIED UNANIMOUSLY