

Confidential Minutes of the Ordinary Meeting of Council of the City of Holdfast Bay held in the Council Chamber, Glenelg Town Hall, Moseley Square, Glenelg, on Tuesday 23 May 2017.

17. ITEMS IN CONFIDENCE

17.1 Motion on Notice – Glenelg Football Club – Councillor Bouchee (Report No: 174/17)

Motion– Exclusion of the Public – Section 90(3)(d) Order

C230517/786

1 That pursuant to Section 90(2) of the *Local Government Act 1999* Council hereby orders that the public be excluded from attendance at this meeting with the exception of the Chief Executive Officer and Staff in attendance at the meeting in order to consider Report No: 174/17 – Motion on Notice – Glenelg Football Club – Councillor Bouchee in confidence.

2. That in accordance with Section 90(3) of the *Local Government Act 1999* Council is satisfied that it is necessary that the public be excluded to consider the information contained in Report No: 174/17 – Motion on Notice – Glenelg Football Club – Councillor Bouchee on the following grounds:

- d. pursuant to section 90(3)(d) of the Act, the information to be received, discussed or considered in relation to this Agenda Item is commercial information of a confidential nature (not being a trade secret) the disclosure of which could reasonably be expected to prejudice the commercial position of the person who supplied the information in that the Glenelg Football Club’s and that this information may prejudice the commercial position of the football club.**

In addition, the disclosure of this information would, on balance, be contrary to the public interest. The public interest in public access to the meeting has been balanced against the public interest in the continued non-disclosure of the information. The benefit to the public at large resulting from withholding the information outweighs the benefit to it of disclosure of the information.

3. The Council is satisfied, the principle that the meeting be conducted in a place open to the public, has been outweighed by the need to keep the information or discussion confidential.

Moved Councillor Lonie, Seconded Councillor Smedley

Carried

Conflict of Interest

His Worship the Mayor, S Patterson declared a material conflict of interest for the item 17.1 Glenelg Football Club (Report No: 285/16). The nature of his material conflict of interest (Pursuant to Section 74 of the Local Government Act 1999) is that his company has a business relationship with the SANFL. His Worship the Mayor dealt with this material conflict of interest by making it known to the chamber and left the chamber at 8.11pm.

The Deputy Mayor, Councillor Lonie assumed the chair at 8.11pm.

Councillor Charlick left the chamber at 8.11pm.

Councillor Bouchee proposed the following motion:

Background

1. The failure of the Glenelg Football Club Inc in the meeting it's borrower's and lessee's obligations to Council, as evidenced by our CEO's recent disclosure of previously unadvised, significant, longstanding interest and the letter from GFC dated 10 May 2017.
2. The admission by board representatives of the GFC, to our CEO and General Manager City Assets at a meeting on Tuesday 2 May 2017 that the club will be unable to satisfactory address the said arrears without endangering their ability to meet their other financial obligations as and when they fall due.

Councillor Charlick rejoined the chamber at 8.13pm.

Motion

C230517/787

1. **That in relation to the recent Glenelg Football Club letter, the Chief Executive Officer be authorised to immediately engage and advise a relevant specialist such as BRI Ferrier/ or recognised legal professionals, to act as Council's agent in achieving a negotiated settlement with the Club and SANFL.**
2. **In doing so, the agent will do all things necessary to protect the interests of the ratepayers of the City of Holdfast Bay in respect of Councils relationship with the Glenelg Football Club Inc. and Glenelg Footballers Club Inc.**
3. **More particularly, the Chief Executive Officer, together with BRI Ferrier, will:**
 - a. **advise the Glenelg Football Club and South Australian National Football League, that Council will accept a SANFL Dividend sharing scheme of 1/3 ANZ 2/3 City of Holdfast Bay, or as negotiated by the Chief Executive Officer in conjunction with BRI**

Ferrier, with funds to be paid directly to Council as per stated SANFL timetable. The terms of the agreement are to be put into a binding agreement, ensuring that it is structured to protect the interests of the City of Holdfast Bay.

- b. Write off past interest owed and future interest for up to 2 financial years up to 31 October 2019 or such period as negotiated by the Chief Executive Officer in conjunction with BRI Ferrier. The ability for the Glenelg Football Club to pay interest after that agreed time, will then be reviewed by the City of Holdfast Bay.
 - c. After achievement of a satisfactory outcome in 1 and 2 above, In return for the concessions made, then seek the support of SANFL and Glenelg Football Club for a joint approach to the ANZ for like financial assistance to the club.
 - d. Leave loan principal against the Glenelg Football Club and review the ability of the club to pay the remainder of the loan after the final SANFL Dividend instalment has transpired.
 - c. The Glenelg Football Club President and Chief Executive Officer meet with the City of Holdfast Bay Mayor and Chief Executive Officer annually, following the release of Glenelg Football Club's end of year accounts.
4. Council Members are to be regularly updated in regard to negotiations

Amendment

1. That in relation to the recent Glenelg Football Club letter, the Chief Executive Officer be authorised to immediately engage and advise a relevant specialist such as BRI Ferrier/ or recognised legal professionals, to act as Council's agent in achieving a negotiated settlement with the Club and SANFL.
2. In doing so, the agent will do all things necessary to protect the interests of the ratepayers of the City of Holdfast Bay in respect of Councils relationship with the Glenelg Football Club Inc. and Glenelg Footballers Club Inc.
3. More particularly, the Chief Executive Officer, together with BRI Ferrier, will:
 - a. advise the Glenelg Football Club and South Australian National Football League, that Council will accept a SANFL Dividend sharing scheme of 1/3 ANZ 2/3 City of Holdfast Bay, or as negotiated by the Chief Executive Officer in conjunction with BRI Ferrier, with funds to be paid directly to Council as per stated SANFL timetable. The terms of the agreement are to be put into a binding agreement, ensuring that it is structured to protect the interests of the City of Holdfast Bay.

- b. **Write off past interest owed and future interest for up to 6 financial years up to 31 October 2023 or such period as negotiated by the Chief Executive Officer in conjunction with BRI Ferrier. The ability for the Glenelg Football Club to pay interest after that agreed time, will then be reviewed by the City of Holdfast Bay.**
 - c. **Leave loan principal against the Glenelg Football Club and review the ability of the club to pay the remainder of the loan after the final SANFL Dividend instalment has transpired.**
 - d. **The Glenelg Football Club President and Chief Executive Officer meet with the City of Holdfast Bay Mayor and Chief Executive Officer annually, following the release of Glenelg FC's end of year accounts.**
- 4. Council Members are to be regularly updated in regard to negotiations**

Moved Councillor Donaldson, Seconded Councillor Aust

The amendment on being put was

Lost

The substantive motion was put and was

Moved Councillor Bouchee, Seconded Councillor Smedley

Carried

Division called

A division was called:

Those voting for: Councillors Bouchée, Bradshaw, Charlick, Patton, Smedley, Snewin, Wilson, Yates (8)

Those voting against: Councillors Aust and Donaldson (2).

The Chairperson, Councillor Lonie declared the motion

Carried

RETAIN IN CONFIDENCE - Section 91(7) Order

Motion

C230517/788

That having considered Agenda Item 17.1 Motion on Notice – Glenelg Football Club – Councillor Bouchee (Report No: 174/17) in confidence under section 90(2) and (3)(d) of the *Local Government Act 1999*, the Council, pursuant to section 91(7) of that Act orders that the report and minutes be retained in confidence for a period of 2 months and that this order be reviewed at this time.

Moved Councillor Snewin, Seconded Councillor Yates

Carried

17.2 **Motion on Notice – Glenelg Football Club – Councillor Donaldson** (Report No: 176/17)

The Chairperson, Councillor Lonie following legal advice did not consider Item 17.2 Motion on Notice – Glenelg Football Club – Councillor Donaldson (Report No: 176/17).

CONFIRMED **Tuesday 13 June 2017**

MAYOR

CONFIDENTIAL