

## CITY OF HOLDFAST BAY

**Minutes of the Ordinary Meeting of Council of the City of Holdfast Bay held in the Kingston Room, Civic Centre, 24 Jetty Road, Brighton, on Tuesday 12 December 2006 at 7:00pm.**

### PRESENT

<p>His Worship the Mayor Deputy Mayor Councillors</p>	<p>A K Rollond R A Clancy R D Beh R M Bouchée P N Crutchett J L Deakin L R Fisk P D H Heysen J D Huckstepp S C Lonie T D Looker A C Norton L van Camp R T Donaldson C A Sheffield G Millar R A Thomas I S Walker</p>
<p>Chief Executive Officer General Manager Environment and Engineering Acting General Manager Social and Organisation Acting General Manager Strategy and Development Executive Manager Finance and Corporate</p>	

### 1. OPENING

His Worship the Mayor, declared the meeting open with prayer and an acknowledgement of Kaurna Traditional Owners at 7:04pm.

### 2. APOLOGIES

2.1 For Absence Nil

2.2 Leave of Absence Nil

3. PRESENTATION Nil

### 4. CONFIRMATION OF MINUTES

Councillor Bouchée moved and Councillor Looker seconded that the minutes of the Ordinary Meeting of Council held on 28 November 2006 be taken as read and confirmed.

**CARRIED**

### 5. MAYORAL REPORT

From 7 November 2006 to 1 December 2006.

Councillor Crutchett moved and Councillor Fisk seconded that the report be received and noted subject to the entry for Thursday 10 November being corrected to read Friday 10 November 2006.

**CARRIED**

**6. QUESTIONS BY MEMBERS****6.1 Without Notice** Nil**6.2 With Notice****6.2.1 Broadway Kiosk Lease.**

In accordance with his notice Councillor Crutchett asked the following questions:

Council's Income

1. What will Council's initial income from the Broadway Kiosk Site be?
2. On what basis will this figure be adjusted during the term of the lease?
3. Based on the current Reserve Bank of Australia's CPI target range of 2% and 3% respectively: What would be:
  1. The rental at the end of the 21 year lease period at 2% CPI & 3% CPI?
  2. The aggregate rental over the 21 year lease term at 2% CPI & 3% CPI?

**Executive Manager Finance and Corporate response**

1. **The initial rent on commencement of the lease will be \$4,000 per annum.**
2. **The rent will be escalated annually over the term of the lease by the movement in CPI plus 200 basis points (ie. CPI + 2%).**
- 3.1 **The projected rent for the last year of the lease is:**
  - a. **\$8,764 assuming the increase in CPI is 2% pa over the term of the lease; and**
  - b. **\$10,613 assuming the increase in CPI is 3% pa over the term of the lease.**
- 3.2 **The projected aggregate rent received over the term of the lease is:**
  - a. **\$127,877 assuming the increase in CPI is 2% pa over the term of the lease; and**
  - b. **\$142,877 assuming the increase in CPI is 3% pa over the term of the lease.**

Calculation of End Payment By Council

Based on this formulae in the lease  $E = \frac{F}{2XG} - (H + J + K)$  and currently known values including the current Reserve Bank of Australia's CPI target range of 2% and 3% respectively: What would be

Constant CPI assumption:	2.0% pa	3.0% pa
Council income in Year 21:		
Aggregate Council income over 21 year lease term:		
End Payment (nominal dollars):		
End Payment (real dollars):		
Initial investment at 6.5% interest rate required to fund End Payment:		

**Executive Manager Finance and Corporate response**

Constant CPI assumption:	2.0% pa	3.0% pa
Council income in Year 21:	<b>\$8,764</b>	<b>\$10,613</b>
Aggregate Council income over 21 year lease term:	<b>\$127,877</b>	<b>\$142,877</b>
End Payment (nominal dollars):	<b>\$719,308</b>	<b>\$871,032</b>
End Payment (real dollars):	<b>\$474,482</b>	<b>\$468,223</b>
Initial investment at 6.5% interest rate required to fund End Payment:	<b>\$191,678</b>	<b>\$232,109</b>

**The projected End Payment (E) in nominal dollars on expiry of the lease term assumes the following:**

- **the amount 'F' is calculated in accordance with paragraph (a) of clause 12;**
- **the Loan Index Rate on lease expiry (as defined in clause 12) is 9.90%; and**
- **values for 'H', 'J' and 'K' are all zero.**

Construction Costs

What was the base construction cost of the building estimates by Council's consultants in March 2006?

**Executive Manager Finance and Corporate response**

**Council's quantity surveying consultants estimated construction costs as \$962,000 (in the range of \$910,000 to \$1,010,000). Items excluded from this estimate were:**

- **Professional fees and statutory charges**
- **Staging/phasing**
- **Exeloo**
- **Loose furniture fittings and equipment**
- **Tenants fit out**
- **Works to sea wall**
- **Mechanical air-conditioning to all areas**
- **Relocation/diversion of oil/gas pipes**
- **Sewer pumping station (assumed that connecting to existing sewer point)**
- **GST**
- **Land and legal costs**
- **Lease and legal costs**
- **Price escalation**

What are the details of the potential cost savings identified by Council's quantity surveyor and which of these have been incorporated in the currently signed lease agreement?

#### Executive Manager Finance and Corporate response

The quantity surveyor identified potential cost savings of \$190,000. The Lessee has agreed to implement cost savings amounting to \$175,000 and reserved its right to consider the remaining items.

<b>Items agreed to be implemented by Lessee:</b>	
• XSE roof deck in lieu of copper roof cladding	<b>\$120,000</b>
• Single leaf block wall in lieu of rammed earth wall	<b>\$18,000</b>
• Single leaf block walls in lieu of cavity walls	<b>\$16,000</b>
• Delete soffit lining (curved plywood to balcony area/eaves)	<b>\$15,000</b>
• Painted plasterboard ceiling in lieu of plywood	<b>\$6,000</b>
• Review of piled footing system	<b>TBA</b>
<b>Items subject to Lessee's right to consider:</b>	
• Reeded jarrah decking in lieu of recycled iron bark	<b>\$13,000</b>
• Reduce extent of double hung windows to counter	<b>\$2,000</b>

#### 7. REPORTS BY DELEGATES OR REPRESENTATIVES

Councillor Clancy reported on her activities attending the Bay Discovery Centre Volunteers' Breakfast and the Brighton Supportive Care Christmas Party on behalf of Mayor Rollond.

#### 8. PETITIONS AND DEPUTATIONS Nil

#### 9. NOTICES OF MOTION

##### 9.1 Placement of Tram in Colley Reserve South

In accordance with his notice

**C121206/348** Councillor Crutchett moved and Councillor Beh seconded that Council place on hold the installation of the tram in Colley Reserve South until such time as the new Council can review the plans and its location and the community's attitude to this location.

**CARRIED**

##### 9.2 Installation of Glass Screens in Moseley Square

In accordance with his notice

**C121206/349** Councillor Crutchett moved and Councillor Bouchée seconded that Council place on hold any existing approvals for further installation of glass screens around the licensed outdoor eat areas on the North side of Moseley Square until the new Council has the opportunity to review the impact of more glass screens on the open space and amenity of Moseley Square.

**CARRIED**

**9.3 Mayoral responsibilities**

In accordance with his notice

**C121206/350 Councillor Crutchett moved and Councillor Beh seconded that the following Mayoral responsibilities be returned:**

- The Mayoral column in Council's publication "Holdfast Bay Views"
- The Mayoral Column in Council's Annual Report.
- The Mayoral Speech at Proclamation Day and other official council function as/or when required.
- The issuing of invitations to official Council functions in the name of the Mayor;

and that Administration report on any other traditional responsibilities of the Mayoral role that may have been changed by resolution of Council during the term of the 2003-2006 Council.

**CARRIED**

**9.4 Recording of views of ratepayers/residents**

In accordance with his notice

**C121206/351 Councillor Beh moved and Councillor Looker seconded that Council note the views of ratepayers/residents obtained during the 2006 City of Holdfast Bay Council elections, through a process facilitated by Administration.**

**CARRIED**

**9.5 Review of Council Strategies and Policies**

In accordance with his notice

**C121206/352 Councillor Beh moved and Councillor Bouchée seconded that Council review all strategies and policies, services and facilities of the City of Holdfast Bay incrementally, starting with the Strategic Plan in the next 12 months.**

**CARRIED**

**10. ADJOURNMENT (TO ENABLE PERMANENT COMMITTEES TO MEET)  
7:36PM**

Councillor Deakin moved and Councillor Fisk seconded that Council stand adjourned to enable the permanent Social and Organisation Committee, Strategy and Development Committee, Economic and Corporate Committee and the Environment and Engineering Committee to meet.

**CARRIED**

**11. RESUMPTION**

Councillor Crutchett moved and Councillor Beh seconded that Council resume at 10:30pm.

**CARRIED**

**EXTENSION OF TIME**

Councillor Fisk moved and Councillor Clancy seconded that Standing Orders be suspended until 11:00pm to allow all business within the agenda papers to be completed.

**CARRIED**

**12. COMMITTEE RECOMMENDATIONS FOR CONSIDERATION****12.1 Social and Organisation Committee**

The Chairperson, Councillor Clancy reported that the Social and Organisation Committee had met this evening and had processed the business contained in the agenda documents.

**Councillor Clancy moved and Councillor Norton seconded that the report of the Social and Organisation Committee be received, and the agenda documents and approved recommendations be received and tabled, together with the additional recommendations from the meeting, and the recommendations be adopted.**

**CARRIED****12.2 Strategy and Development Committee**

The Chairperson, Councillor Crutchett reported that the Strategy and Development Committee had met this evening and had processed the business contained in the agenda documents.

**Councillor Crutchett moved and Councillor Beh seconded that the report of the Strategy and Development Committee be received, and the agenda documents and approved recommendations be received and tabled, together with the additional recommendations from the meeting, and the recommendations be adopted.**

**CARRIED****12.3 Economic and Corporate Committee**

The Chairperson, Councillor Beh reported that the Economic and Corporate Committee had met this evening and had processed the business contained in the agenda documents.

**Councillor Beh moved and Councillor Crutchett seconded that the report of the Economic and Corporate Committee, the agenda documents and approved recommendations, together with the additional recommendations from the meeting be adopted.**

**CARRIED****12.4 Environment and Engineering Committee**

The Chairperson, Councillor Bouchée reported that the Environment and Engineering Committee had met this evening and had processed the business contained in the agenda documents.

**Councillor Looker moved and Councillor Bouchée seconded that the report of the Environment and Engineering Committee, the agenda documents and approved recommendations, together with the additional recommendations from the meeting be adopted.**

**CARRIED**

**13. REPORTS OF ADVISORY COMMITTEES AND/OR SUB-COMMITTEES**

**Alwyndor Aged Care Board of Management Meeting held 16 October 2006.**

**Jetty Road Mainstreet Board Meeting held 11 October 2006.**

**Executive Committee of Council Meetings held on 28 September 2006 and 25 October 2006.**

**C121206/353 Councillor Clancy moved and Councillor Norton seconded that the minutes of these committees be received.**

**CARRIED**

**14. REPORTS OF REGIONAL SUBSIDIARIES Nil**

**15. REPORTS BY OFFICERS****15.1 Items in Brief (Report No: 571/06)**

Report No: 571/06 was presented detailing items which were presented for the information of Members and did not require a separate resolution.

**C121206/354 Councillor Crutchett moved and Councillor Fisk seconded that the report be noted and items of interest be discussed.**

**CARRIED**

**15.2 Seating Arrangements in Council Chamber**

A number of Councillors have expressed a desire to alter the seating arrangements in the chamber. This matter was listed for discussion, with a decision to be formalised at the 9 January 2007 Council meeting.

His Worship the Mayor noted that a number of Members had conferred and revised the seating arrangements prior to the meeting. Mayor Rollond invited Members to resolve any further seating order issues amongst themselves.

**16. URGENT BUSINESS****16.1 Elected Member Gowns for Proclamation Day**

The Chief Executive Officer reminded Elected Members to collect their robes for use on Proclamation Day after the 12 December 2006 meeting.

**17. ITEMS IN CONFIDENCE****17.1 Notice of Motion – Broadway Kiosk**

**Council officers remaining: Mr Donaldson, Mr Millar, Mr Sheffield, Ms Thomas and Mr Walker**

**C121206/355** Councillor Bouchée moved and Councillor Looker seconded that, pursuant to Section 90(2) and 90(3)(i) of the Local Government Act 1999 the Council order that the public be excluded from attendance at the meeting, with the exception of Council officers and any other visitors permitted to remain, after taking into account the relevant considerations under Section 90(3), on the basis that it will receive, discuss or consider the following:

- information relating to actual litigation, or litigation that the Council or Council Committee believes on reasonable grounds will take place, involving the Council or an employee of the Council.

**CARRIED**

Notice of Motion – Broadway Kiosk

**ORDER TO RETAIN DOCUMENTS IN CONFIDENCE**

**C121206/357** Councillor Crutchett moved and Councillor Bouchée seconded that pursuant to Section 90(2), 90(3)(i) and 91(7) of the Local Government Act 1999:

1. The Council orders that the documents and minutes relating to Notice of Motion – Broadway Kiosk, with the exception of Resolution No:C121206/355 for going into confidence, be kept confidential and not available for public inspection on the basis that they deal with information relating to actual litigation, or litigation that the Council or Council Committee believes on reasonable grounds will take place, involving the Council or an employee of the Council, under Section 90 (2) and 90(3)(i) of the Act.
2. This resolution will be reviewed on or before 31 December 2007 by the Council.

**CARRIED**

**17.2 Development Assessment Panel – Appointments and Related Decisions (Report No: 565/06)**

**Council officers remaining: Mr Donaldson, Mr Millar, Mr Sheffield, Ms Thomas and Mr Walker**

This matter has been referred to Council from the Strategy and Development Committee for consideration.

**C121206/358** Councillor Crutchett moved and Councillor Bouchée seconded that, pursuant to Section 90(2) and 90(3)(a) of the Local Government Act 1999 the Council order that the public be excluded from attendance at the meeting, with the exception of Council officers and any other visitors permitted to remain, after taking into account the relevant considerations under Section 90(3), on the basis that it will receive, discuss or consider the following:

- information the disclosure of which would involve the unreasonable disclosure of information concerning the personal affairs of a person or persons (living or dead).

**CARRIED**

**Development Assessment Panel – Appointments and Related Decisions (Report No: 565/06)**



**ORDER TO RETAIN DOCUMENTS IN CONFIDENCE**

**C121206/360** Councillor Bouchée moved and Councillor Crutchett seconded that pursuant to Section 90(2), 90(3)(a) and 91(7) of the Local Government Act 1999:

1. The Council orders that the documents and minutes relating to Report No: 565/06, with the exception of Resolution No:C121206/358 for going into confidence, be kept confidential and not available for public inspection on the basis that they deal with information the disclosure of which would involve the unreasonable disclosure of information concerning the personal affairs of a person or persons (living or dead) under Section 90 (2) and 90(3)(a) of the Act.
2. This resolution will be reviewed on or before 31 December 2007 by the Council.

**CARRIED**

**19. RESUMPTION**

Councillor Bouchée moved and Councillor Fisk seconded that Council resume as an open meeting of Council at 11:22pm.

**20. CLOSURE**

The Meeting closed at 11:22pm.

**CONFIRMED**

**Tuesday 9 January 2007**

**MAYOR**