



Corporate & Works Committee

Agenda: *Corporate & Works Committee*

Date: *Monday 24 November 2008*

Time: *6.00pm*

Outline of Meeting Protocol & Procedure:

- The Chairperson will call the Meeting to order and ask the Committee/Staff to present apologies or late correspondence.
- The Chairperson will commence the Order of Business as shown in the Index to the Agenda.
- At the beginning of each item the Chairperson will ask whether a member(s) of the public wish to address the Committee.
- If person(s) wish to address the Committee, they are allowed four (4) minutes in which to do so. Please direct comments to the issues at hand.
- If there are persons representing both sides of a matter (eg applicant/objector), the person(s) against the recommendation speak first.
- At the conclusion of the allotted four (4) minutes, the speaker resumes his/her seat and takes no further part in the debate unless specifically called to do so by the Chairperson.
- If there is more than one (1) person wishing to address the Committee from the same side of the debate, the Chairperson will request that where possible a spokesperson be nominated to represent the parties.
- The Chairperson has the discretion whether to continue to accept speakers from the floor.
- After considering any submissions the Committee will debate the matter (if necessary), and arrive at a recommendation (R items which proceed to Full Council) or a resolution (D items for which the Committee has delegated authority).

Delegated Authority (“D” Items):

- General financial and corporate management of the Council, except those specifically excluded by statute, by Council direction or delegated specifically to another Committee.
- Note: This not to limit the discretions of nominated staff members exercising Delegated Authorities granted by the Council.
- Quarterly review of Council's Management Plan.
- Finance Regulations, including:-
 - Authorisation of expenditures within budgetary provisions where not delegated;
 - Quarterly review of Budget Review Statements;
 - Quarterly and other reports on Works and Services provision; and
 - Writing off of rates, fees and charges because of non-rateability, bad debts, and impracticality of collection.
- Auditing.
- Property Management.
- Asset Management.
- Traffic Management - Works Implementation.
- Works and Services - Monitoring and Implementations.
- Legal Matters and Legal Register.
- Parks and Reserves Management.
- Infrastructure Management, Design and Investigation.
- To require such investigations, reports or actions as considered necessary in respect of matters contained within the Business Agenda (and as may be limited by specific Council resolution).
- Confirmation of Minutes of its Meeting.
- Any other matter falling within the responsibility of the Corporate and Works Committee and not restricted by the Local Government Act or required to be a Recommendation to Full Council as listed below.

Recommendation only to the Full Council (“R” Items):

- Such matters as are specified in Section 377 and within the ambit of the Committee considerations.
- The voting of money for expenditure on works, services and operations.
- Rates, Fees and Charges.
- Donations
- Matters which involve broad strategic or policy initiatives within responsibilities of the Committee.
- Matters not within the specified functions of the Committee.
- Asset Rationalisation.
- Corporate Operations:-
 - Statutory Reporting;
 - Adoption of Council's Management Plans;
 - Quality Service/Communications;
 - Leases.
 - Matters reserved by individual Councillors in accordance with any Council policy on "safeguards" and substantive changes
 - Delegations.
 - Policies.
 - Tenders as per Regulation requirements.

Committee Membership:

6 Councillors

Quorum:

The quorum for a Committee meeting is 4 Councillors.

WOOLLAHRA MUNICIPAL COUNCIL

Notice of Meeting

19 November 2008

To: His Worship The Mayor, Councillor Andrew Petrie ex-officio
Councillors Greg Medcraft (Chair)
 Anthony Boskovitz
 Peter Cavanagh (Deputy)
 Nicola Grieve
 Ian Plater
 Isabelle Shapiro

Dear Councillors

Corporate & Works Committee Meeting – 24 November 2008

In accordance with the provisions of the Local Government Act 1993, I request your attendance at a Meeting of the Council's **Corporate and Works Committee** to be held in the **Council Chambers, 536 New South Head Road, Double Bay, on Monday 24 November 2008 at 6.00pm.**

Gary James
General Manager

Additional Information Relating to Committee Matters

Site Inspection

Other Matters

Presentation on Corporate Planning & Reporting by the Director of Community Services will be made prior to consideration of Item D6.

Meeting Agenda

Item	Subject	Pages
1	Leave of Absence and Apologies	
2	Late Correspondence	
3	Declarations of Interest	

Items to be Decided by this Committee using its Delegated Authority

D1	Confirmation of Minutes of Meeting held on 10 November 2008	1
D2	Bus Shelter Designs – 900.G, 263.G part 12	2
D3	104 Hopetoun Avenue, Vaucluse – Encroachment Removal Options – 240.104	4
D4	Investment Update Report – 389.G *Note: Confidential Annexure Circulated Under Separate Cover	22
D5	Monthly Financial Report – October 2008 – 349.G	26
D6	Corporate Planning & Reporting – 627.G	31

Items to be Submitted to the Council for Decision with Recommendations from this Committee

R1	62 New South Head Road, Edgecliff – Road Reserve Encroachment – 329.62	63
R2	Cooper Park Pond Improvement Works Contract – Tender No. 08/13	68
R3	Bellevue Hill Shopping Centre Streetscape Improvement Works – 1216.G	74
R4	Watsons Bay Commercial Centre – Relocation of Bus Stop & the provision of a New Bus Shelter – 950.G, 311 Streetscape	82
R5	Statutory Review of Policy – Payment of Expenses & Provision of Facilities to The Mayor, Deputy Mayor & Councillors Policy – 18.G	91

Item No: D1 Delegated to Committee
Subject: **Confirmation of minutes of meeting held on 10 November 2008**
Author: Les Windle, Manager – Governance
File No: See Council Minutes
Reason for Report: The Minutes of the Meeting of Monday 10 November 2008 were previously circulated. In accordance with the guidelines for Committees' operations it is now necessary that those Minutes be formally taken as read and confirmed.

Recommendation:

That the Minutes of the Corporate and Works Committee Meeting of 10 November 2008 be taken as read and confirmed.

Les Windle
Manager – Governance

Item No: D2 Delegated to Committee
Subject: **Bus Shelter Designs**
Author: Sam Badalati
File No: 900.G, 263.G part 12
Reason for Report: To report on the roof treatment to the Lyne Park Bus Shelter.

Recommendation:

That we now install Woollahra standard design bus shelter at Lyne Park with a dark tinted glass roof.

Background:

I refer to the Corporate and Works Committee meeting of Monday 10 November 2008 when considering a report on the bus shelter designs, it resolved, in part, as follows:

“B. That a decision to install Woollahra standard design bus shelter at Lyne Park be deferred for two weeks for a further report to be submitted on roof treatment options.”

The decision was deferred to reconsider the use of glass roof material in view of the opinion that “matter” would be deposited on it from the fig tree, bats and birds that use the tree.

Annexure 1 shows the location of the shelter to be outside the canopy area of any nearby trees, and while some matter may be wind blown to it, it is considered that it would be minimal if any, depending on the prevailing wind.

To mitigate this it is proposed to use a dark tinted glass for the roof and to increase the frequency of cleaning during the 4 to 5 weeks a year that the fig trees drop their fruit. It is at this time that bats would be present feeding on the fruit.

In conclusion, it is considered that a dark tinted glass roof is a suitable material for this location because of:

1. It is outside canopy of nearby trees.
2. A dark tinted glass would make any deposits on the glass roof not as obvious.
3. Increased cleaning during the 4 to 5 week yearly fruit drop by the fig trees.

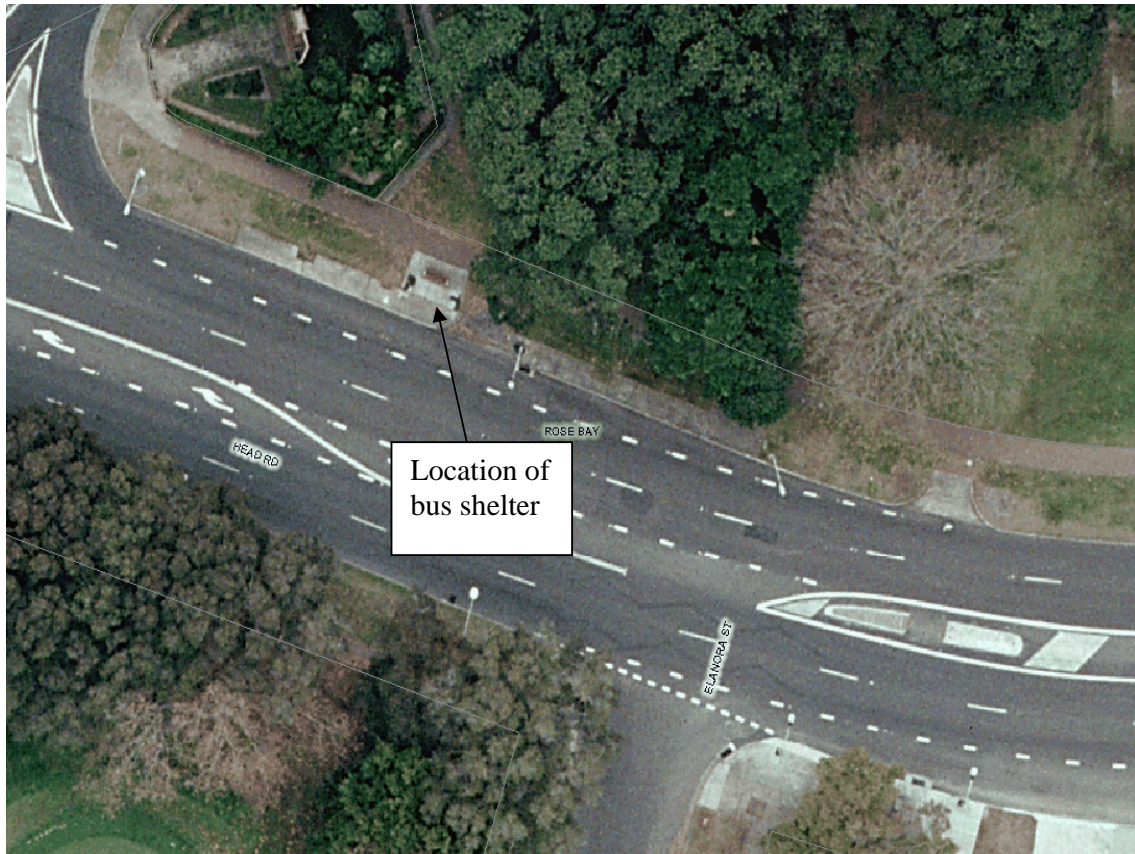
Sam Badalati
Project Manager Civil Works

Warwick Hatton
Director Technical Services

ANNEXURES:

1. Location of bus shelter.
-

ANNEXURE 1



Item No: D3 Delegated to Committee
Subject: **104 Hopetoun Avenue, Vaocluse - Encroachment Removal Options**
Author: Anthony Sheedy, Property Officer
File No: 240.104
Reason for Report: To give consideration to the Manager Parks and Street Trees landscape plan for the road reserve encroachments adjoining 104 Hopetoun Avenue.

Recommendation:

- A. That the attached landscape plan of the Manager, Parks and Street Trees be endorsed.
- B. That removal of the aluminium fencing and dense planting in the road reserve and replacement with suitable plant species be at the cost of the owner No 104 Hopetoun Avenue.
- C. That, due to the circumstances of this case, reinstatement of the sloping verge, reduction of the existing retaining wall and construction of a new retaining wall, planting of new Buffalo grass turf, installation of paving stones and planting of two street trees, be carried out at Council's expense.
- D. That the owner of 104 Hopetoun Avenue be required to enter into a positive covenant accepting public liability for the stairs, entrance path, and landscaping, and responsibility for their ongoing maintenance.

Background:

The owner of 104 Hopetoun Avenue applied for development consent in 2002 for substantial alterations and additions to the property. At this time, Council records indicate works occurred on the Council's road reserve adjoining No 104 including the reconstruction of a retaining wall and fence, and planting of shrubs adjoining the footpath. There is no file record of any Council approval for these works. In accordance with S125 (1) S126, S127A of the Environmental Planning and Assessment Act, 1979 (EPA Act) substantial penalties can apply for offences against the Act and the regulations. Council can issue Notices of 'Development without Consent' and seek remedies.

Council issued a Notice of 'Development without Consent' on 10 February 2003 to the owner of 104 Hopetoun Ave, Vaocluse citing "(1) the erection of shade cloth fence adjoining the footpath, (2) the construction of a retaining wall, (3) The construction of a fence creating a larger front yard, (4) landscaping works within public land." The Notice required the owner to explain what action they would take to remedy the unauthorised works and breach of the EPA Act.

The owner then commenced protracted and often delayed negotiation with Council staff to resolve the matter. Eventually a report was brought before Councillors, with Property staff recommending that an area in the road reserve adjoining No 104 Hopetoun Avenue which comprised a level lawn area excavated below the road, and bounded by a retaining wall, fence and high hedge planting, be leased to the owner in order to formalise the encroachment on the road.

The lease option was in accordance with Council's Encroachment Policy for Road Reserves which was adopted on 14 July 2008. However, Council resolved on 28 July 2008 not to proceed with a lease for the road reserve encroachment and asked for a report on other options.

A report was submitted to the Corporate and Works Committee meeting of 18 August 2008, recommending options for the removal of the encroachments in the road reserve. This report was subsequently referred to the full Council meeting of 25 August 2008, where it was resolved:

- A. *That the aluminium fencing and dense planting in the Road reserve are to be removed and replaced with suitable plant species, to be selected by the Manager Parks and Street trees, the sloping verge is to be reinstated from the public footpath to the property boundary, and the existing retaining wall to be reduced in height so as not to intrude above the level of the sloping verge.*
- B. *That all works be carried out to a landscaping plan to be developed by the Manager Parks and Street Trees, and to be at the expense of the owner of No 104 Hopetoun Avenue, and to the satisfaction of the Director Technical Services.*
- C. *That the owner of 104 Hopetoun Avenue enter into a positive covenant with Council in respect of the road reserve garden landscaping and unenclosed stairs giving access to the adjoining owner's property.*
- D. *That Council exercise its regulatory powers as necessary to remedy the illegal works on Council roadway.*
- E. *That the landscape plan be submitted to the Corporate and Works Committee for approval.*

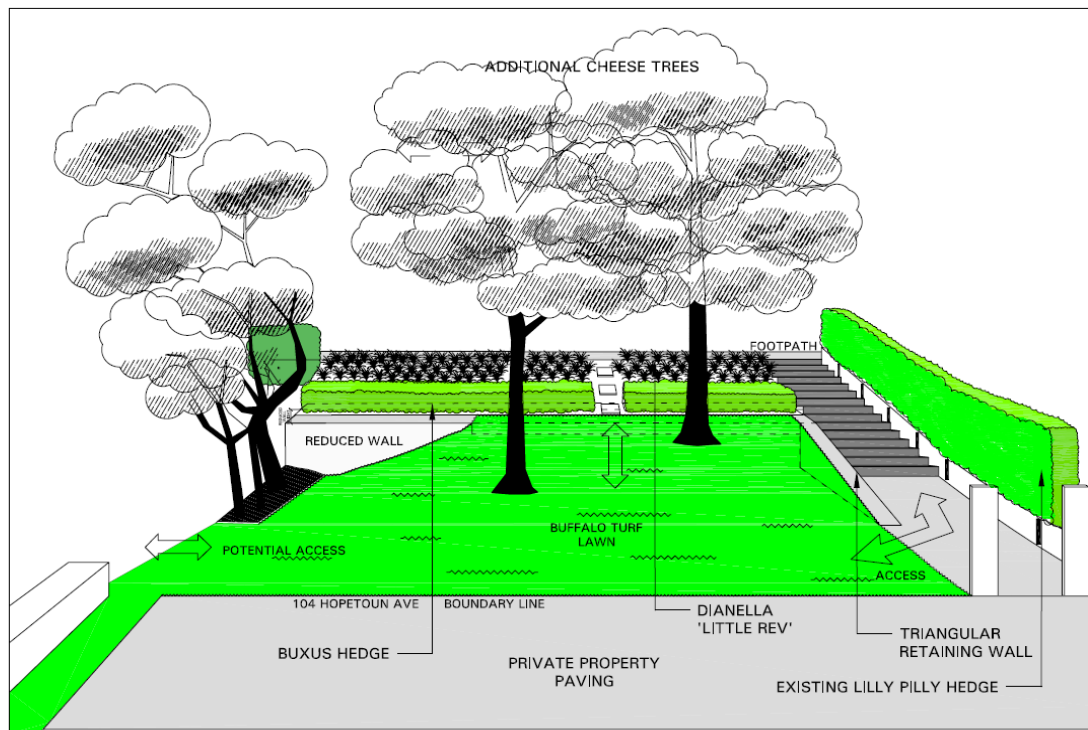
The purpose of this report is to provide advice on the landscape plan encroachment remediation options available to Council, as resolved in parts A and E of the resolution above.

The road verge at this location has steeply sloping topography, which requires some form of retaining wall to stabilise the bank. The owner of No 104 Hopetoun Avenue rebuilt, to a height in excess of 600mm, and rendered an existing retaining wall. He also planted dense vegetation and created a hedge between the pedestrian footpath and to the side of the paved steps, and installed aluminium fencing on top of the retaining wall and alongside the steps, effectively alienating the land for the owners private use. These works were carried out without Council approval. They constitute an encroachment upon Council land.

Landscape Plan of Manager - Parks and Street Trees

In accordance with the Council resolution of 25 August 2008, a landscape plan has been prepared by the Manager Parks and Street Trees to remediate the site to allow public access and restore much of the site's natural topography. See Drawing A below and Drawing B (Annexure 2).

Drawing A.



LANDSCAPE PROPOSAL FOR 104
HOPETOON AVENUE

PERSPECTIVE VIEW
NOT TO SCALE
OCTOBER 2008

Drawing A is an elevation perspective (not to scale) looking from the direction of the adjoining 104 Hopetoun Avenue property back towards the road.

The scheme removes all hedge plantings and other vegetation from the front and both sides of the subject Road reserve, which have alienated the area from public view and access. The excavated level space behind the retaining wall is filled to reinstate the natural slope and bury the retaining wall. However, in the vicinity of some existing mature trees in the road reserve fill cannot be placed without detriment to the trees. Therefore the wall at this point is exposed but is reduced in height to the upper ground level. The area is to be re-planted with suitable low growing species such as Dianella and Buxus and two street trees (Cheese tree, *Glochidion fernandii*, a local species)

It is estimated that the total site remediation cost will be \$10,000.

Discussions with Adjoining Owner

An email was sent to the owner of 104 Hopetoun Ave mid September 2008, providing detail of the proposed landscape plan. On 10 and 13 October 2008 Council staff met with the owner of No 104 and discussed the proposed plan.

The Owner agreed with most of the proposals but was prepared to accept only limited liability for the site costs to remediate works not approved by Council, which have already been undertaken at an estimated \$2,000 associated with trimming, removal and replacement of shrubs and trees, and removal of the fence. The owner considered that costs (estimated at \$8000) associated with filling the slope, changes to retaining walls, and returfing should be Council's responsibility.

When the owner 104 Hopetoun Ave purchased the property in 2001, he lodged a Development Application DA 942/01 and DA 781/02/01 and obtained a site survey in which relative level measurements provide evidence that the soil bank topography has remained unchanged to date (Annexure 3). The survey plan shows evidence of a retaining wall, but its height is unclear.

At this time, the masonry retaining wall was crumbling. The adjoining owner rebuilt it to a height apparently slightly in excess of the then existing one, and cement rendered it. Council file notes show that a former employee attended the site and discussed the retaining wall with the Owner. However, there is no record of written approval to rebuild it or to embark on the extensive planting and alienation of the road reserve for private enjoyment which has occurred.

In this case, in view of the above circumstances, it is considered that it is appropriate for the adjoining owner to pay to remove the enclosing fence and hedge plantings, and for Council to pay to carry out works to the retaining wall to reduce its height, and to fill and turf the area, install access paving stones, construct the new retaining wall beside the steps, and plant the two new street trees.

The owner has stated he would prefer to not reduce the height of the retaining wall as proposed by the Manager's landscape plan, and not to have a gap in the Buxus hedge with paving stones allowing access. However, the reduction in height of the wall to ground level (or below) and the paving stones at the access point are considered to be necessary and desirable to improve public access to the site, and remove the perception of alienation from public use.

The owner has also stated that he would be prepared to remove at his cost all or most of the Viburnum hedge plants on Council land, keep the Murraya hedge pruned to an agreed height, and plant Lomandra "Tanika" between Murraya and the footpath, as this native grass species is used elsewhere on the 104 Hopetoun Ave property. The Manager Parks & Street Trees has confirmed that these species would give a similar look to Dianella as specified on the landscape plan and would be acceptable.

It should be noted that Council has legislative powers under the Roads Act as discussed in the previous report of 18 August 2008 (Annexure 1), which it can exercise as necessary to ensure encroachment removal and compliance by the owner of 104 Hopetoun Avenue, if matters cannot be resolved by agreement.

The proposed garden landscaping works which will be created upon the road reserve in accordance with the Council resolution have been discussed with the adjoining owner of 104 Hopetoun Avenue. The owner has advised verbally that he is therefore prepared to enter into a Positive Covenant in respect of taking responsibility for public liability for the agreed landscaping plan improvements and for their ongoing maintenance,

Conclusion:

Council has various legislative powers as discussed in the previous report of 18 August 2008, which it can exercise as necessary to ensure encroachment removal compliance by the owner of 104 Hopetoun Ave.

Because the change of level in the road reserve has effectively alienated the public reserve for private use, it is proposed that the road reserve soil bank be restored to the natural slope. The aluminium fencing and dense plantings upon the road reserve are to be removed so as to open this site up for public access again. Because of the steeply sloping topography adjoining No 104, it is proposed that the encroaching low rise masonry retaining wall on Hopetoun Avenue road reserve (and rebuilt by the adjoining owner of 104 Hopetoun Ave) be partially retained. However, it is proposed to reduce its height, in accordance with the Manager's landscape plan, to ground level adjacent to existing trees and below ground elsewhere.

In this case, in view of the above circumstances, it is considered that it is appropriate for the adjoining owner to pay to remove the enclosing fence and hedge plantings, and for Council to pay to carry out works to the retaining wall to reduce its height, and to fill and turf the area, install access paving stones, construct the new retaining wall beside the steps, and plant the two new street trees.

In accordance with Council's recently adopted Encroachment Policy, it is proposed that the adjoining owner enter into a positive covenant to formalise the landscaping encroachments upon the road reserve, which would require him to accept responsibility for public liability for the agreed landscaping plan improvements and for their ongoing maintenance,

Anthony Sheedy
Property Officer

Warwick Hatton
Director Technical Services

ANNEXURES:

1. Copy of Corporate and Works Meeting report 18 August 2008.
2. Manager – Parks & Street Trees, landscape remediation plan, drawing B.
3. Scope of works proposed in landscape remediation plan.
4. Usher and Company Survey of road reserve adjoining 104 Hopetoun Rd

Item No: D4 Delegated to Committee
Subject: **Investment Update Report**
Author: Michelle Phair, Team Leader Financial Services
File No: 389.G
Reason for Report: To update the Committee on Council's investments.

Recommendation:

That the report be received and noted

Background:

At the last Corporate and Works Committee meeting following the Presentation of the 2007/2008 Financial Reports to the Public it was resolved, in part:

That details of the \$9.7m fair value write down be circulated to Councillors.

Discussion:

Fair Value of Investments at 30 June 2008:

A report to this Committee on 18 August 2008 provided the following information:

“The Local Government Auditors Association indicated it would like a consistent approach to valuing and auditing of Local Government investments for this financial year. To ensure that the investments classified as “at Fair Value” are appropriately valued the Auditors Association recommended that Council seek independent valuations. Council was approached by Farquharson Securities Pty Ltd to perform independent valuations. Draft valuations have been received and the valuation and fair value adjustments are shown in ANNEXURE 4. Valuations are based on bid prices which have been severely affected by the current illiquid credit market. This impact has been noted by the Committee in the past when bid pricing has been provided on Council’s securities.”

“The fair value adjustment of Council’s portfolio will be a book write down of \$10.5m which represents 21% of the portfolio’s face value. It is important to note that the fair value adjustment is a book adjustment only to reflect the current market situation. No loss has been realised on current securities held by Council.”

“The fair value adjustment is to comply with accounting standards and does not reflect the strength or otherwise of Council’s portfolio. Indeed, from the reports and information received to date, only one of Council’s securities would appear to have a current indication that it may default. Council’s securities are “hold to maturity” and as and when they mature the fair value adjustment will be reversed.”

At the time of the above report, the valuations provided were in draft form, the final valuation received resulted in the book loss of \$9.7m as per Council’s audited Financial Reports for the year ended 30 June 2008. An updated schedule showing the fair value adjustments is attached as **ANNEXURE 1**. As noted above, the fair value adjustment is to comply with accounting standards and does not reflect the strength or otherwise of Council’s portfolio.

CDOs & Other Structured Securities Update:

The paralysis in the credit markets and the collapse of liquidity in the market and in these products has meant that obtaining valuations on a bid or mark-to-market basis has been difficult, if not impossible. It is important to note, securities are by no means worthless while they continue to pay coupon and while they retain credit support there is still potential for them to return some or all of their capital at maturity. With this in mind, it is perhaps more important for ongoing management to review the strength of securities rather than assess technical valuations provided on a month to month basis.

A summary of Council's CDOs and structured securities indicating the health of securities by reference to the current rating and number of credit events is attached as **ANNEXURE 2**. Council received a report from Grove Research & Advisory as at 30 September 2008. The general commentary from that report including "CDO Comment, Lehman's Bankruptcy: Potential Early Termination Event?" and quarter 3 "CDO Update – September 2008" are attached as **CONFIDENTIAL ANNEXURE 3**. However due to the continuing market volatility a further update has been requested on individual securities and this update will be referred to the Investment Working Group for detailed consideration and for development of a long term strategy for the management and funding of potential defaults.

At this stage, Council has received confirmation that one of its securities has officially defaulted. This security is an Asset Backed CDO, Aramis (Clear 40), which was under the advisory services of Oakvale Capital.

Regardless of actual or potential losses, Council does not foresee any adverse affect on works or services provided.

Conclusion:

Council will continue to monitor and review its investments and provide update reports to the Investment Working Group and to the Corporate & Works Committee.

Council was required by accounting standards to provide fair valuations of securities for the financial year ended 30 June 2008. The fair valuation resulted in a book value movement of \$9.7m and is reflected in the Financial Reports.

The Investment Working Group will be meeting to consider the reports from Grove Research & Advisory and to develop a long term strategy for the management and funding of potential defaults. At that time a further report will be brought to this Committee detailing the strategy.

Regardless of potential losses, works and services provided by Council will not be affected.

Michelle Phair
Team Leader Financial Services

Don Johnston
Manager Finance

Gary James
General Manager

- Annexures:**
1. Investments at Fair Value at 30 June 2008
 2. CDOs & Other Structured Securities – Ratings & Credit Events
 3. CDO Comment, Lehman's Bankruptcy: Potential Early Termination Event?
CDO Update – September 2008 (CONFIDENTIAL)

Item No: D5 Delegated to Committee
Subject: **Monthly Financial Report – October 2008**
Author: Toby Andreassen, Financial Accountant
Michelle Phair, Team Leader Financial Services
File No: 349G
Reason for Report: To present the monthly financial report for October 2008

Recommendation:

A. THAT the monthly financial report for October 2008 be received and noted.

Background:

The monthly financial report for October 2008 is submitted to the Committee for consideration.

The monthly report includes the following:-

- Summary of Investments
- Summary of Receipts, Payments and Bank Balance

Discussion:

Summary of Investments:

As discussed in the Investment Update Report, also on the agenda for this meeting, the inactivity in the credit markets and the collapse of liquidity has meant that obtaining valuations on a bid or mark-to-market basis has been difficult, if not impossible. Council has received monthly technical valuations however with the volatility in the market, none of these valuation methods provides a real indication of the current strength of securities and their prospect of returning some of or all of their capital at maturity. In view of this, the Monthly Financial Report will provide the Committee with investments listed at their face value. It is considered more important at this time to review the strength of securities rather than attempt to assess monthly changes in valuations.

The Investment Update Report provides a snapshot of CDOs and other structured securities including current ratings and recent credit events. These indicators provide a sign of the health of Council's securities.

Last month we introduced the classification of investments into the portfolio table together with a summary of investments by classification at the bottom of the table. This month we have also included a brief definition of each class.

Investment Working Group:

The Investment Working Group will be meeting to consider the report received from Grove Research & Advisory and to develop a long term strategy for the management and funding of potential defaults.

Michelle Phair
Team Leader Financial Services

Don Johnston
Manager Finance

INVESTMENTS AS AT 31 OCTOBER 2008

CATEGORY	PURCHASE DATE	MATURITY DATE	DAYS	%	FACE VALUE \$	TOTAL \$
<u>1. WMC INVESTMENTS</u>						
<i><u>ANZ</u></i>						
TERM DEPOSIT	01/10/2008	02/12/2008	62	7.24	1,000,000	
<i><u>ST GEORGE BANK LIMITED</u></i>						
TERM DEPOSIT	20/08/2008	17/12/2008	119	7.74	1,000,000	
TERM DEPOSIT	26/08/2008	21/01/2009	148	7.66	2,000,000	
TERM DEPOSIT	24/09/2008	22/01/2009	120	7.85	1,000,000	
TERM DEPOSIT	15/08/2008	12/12/2008	119	7.74	2,000,000	
<i><u>SAVINGS & LOANS CREDIT UNION</u></i>						
TERM DEPOSIT	25/07/2008	24/11/2008	122	8.39	2,000,000	
TERM DEPOSIT	05/08/2008	10/12/2008	127	8.23	2,000,000	
TERM DEPOSIT	28/10/2008	27/03/2009	61	6.80	1,500,000	
TERM DEPOSIT	29/08/2008	27/11/2008	90	7.89	1,500,000	
<i><u>POLICE & NURSES CREDIT SOCIETY</u></i>						
TERM DEPOSIT	02/09/2008	05/01/2009	125	7.86	2,000,000	
TERM DEPOSIT	28/08/2008	28/01/2009	153	7.85	1,500,000	
<i><u>NATIONAL AUSTRALIA BANK</u></i>						
TERM DEPOSIT	05/08/2008	04/11/2008	91	7.59	1,500,000	
TERM DEPOSIT	04/09/2008	04/03/2009	181	8.00	2,000,000	
<i><u>IMB Ltd</u></i>						
TERM DEPOSIT	03/06/2008	03/12/2008	183	8.39	2,000,000	
<i><u>COMMONWEALTH BANK</u></i>						
ONLINE SAVER A/C					1,810,245	24,810,245
					<u>1,810,245</u>	
CATEGORY					FACE VALUE \$	TOTAL \$
<u>2. OAKVALE CAPITAL Limited</u>						
Funds under management					<u>6,000,000</u>	6,000,000
* See Annexure 1						
<u>3. LEHMAN BROTHERS (formerly Grange Securities Ltd)</u>						
Funds under management					<u>19,205,878</u>	19,205,878
* See Annexure 2						
GRAND TOTAL					<u>50,016,123</u>	

I hereby certify that the above investments have been made in accordance with Section 625 of the Local Government Act 1993, Clause 212 of the Local Government (General) Regulation 2005 and Council's investment policy.

M. Phair
TEAM LEADER FINANCIAL SERVICES

D. Johnston
MANAGER FINANCE

Woollahra Municipal Council Portfolio

Security	Classification	Purchase Date	Final Maturity Date	Face Value (FV)
LEHMAN BROTHERES (formerly GRANGE SECURITIES)				
Issued by non-ADIs				
Lehman Global Property Note	Other	13/06/2007	15/06/2009	60,000
Herald Limited (Quartz AA)	CDO	04/07/2007	20/12/2010	400,000
BELO (Kalgoorlie AA+)	Other	27/02/2007	27/02/2012	500,000
Magnolia (Flinders AA)	CDO	08/06/2007	20/03/2012	500,000
Omega (Henley AAA)	CDO	20/12/2006	22/06/2012	450,000
Helium (Esperance AA+)	CDO	04/07/2007	20/03/2013	500,000
Zircon (Merimbula AA)	CDO	06/06/2007	20/06/2013	250,000
Corsair (Torquay AA)	CDO	04/07/2007	20/06/2013	500,000
Start (Blue Gum AA-)	CDO	08/01/2007	22/06/2013	400,000
Corsair (Kakadu AA)	CDO	22/01/2007	20/03/2014	500,000
Helium (Scarborough AA)	CDO	17/01/2007	23/06/2014	400,000
Helium (Scarborough AA)	CDO	04/07/2007	23/06/2014	500,000
Helium (Scarborough AA)	CDO	23/07/2007	23/06/2014	500,000
Zircon (Coolangatta AA)	CDO	20/03/2007	20/09/2014	500,000
Beryl (AAA Global Bank Note)	Other	03/04/2007	20/09/2014	100,000
Zircon (Coolangatta AA)	CDO	04/07/2007	20/09/2014	500,000
Beryl (AAA Global Bank Note)	Other	04/07/2007	20/09/2014	350,000
Aphex (Glenelg AA-)	CDO	04/07/2007	22/12/2014	500,000
Aphex (Glenelg AA-)	CDO	10/01/2007	22/12/2014	500,000
MAS6-7 (Parkes IIA 'AA-')	CDO	13/06/2007	20/06/2015	450,000
MAS6-7 (Parkes IIA 'AA-')	CDO	04/07/2007	20/06/2015	500,000
Zircon (Miami AA)	CDO	16/04/2007	20/03/2017	50,000
				8,910,000
Issued by ADIs				
ANZ Principal Protected Yield Curve Note (AA)	Other	17/07/2007	17/07/2017	100,000
Bank of Queensland (BBB+)	FRN	04/07/2007	30/10/2008	1,000,000 ¹
Home Building Society FRN (BBB+)	FRN	10/01/2007	17/08/2009	500,000
Home Building Society FRN (BBB+)	FRN	11/01/2007	17/08/2009	500,000
Royal Bank of Scotland (AA)	FRN	04/07/2007	28/10/2009	500,000
Elders Rural Bank Sub Debt (BBB-)	FRN	04/07/2007	23/03/2010	500,000
NM Rothschild FRSD (unrated)	FRN	09/07/2007	10/08/2010	1,000,000
HSBC Sub Debt (AA-)	FRN	04/07/2007	20/05/2011	500,000
Suncorp Metway Sub Debt (A)	FRN	19/01/2007	22/06/2011	500,000
St George Bank Sub Debt (A+)	FRN	10/01/2007	26/07/2011	1,000,000
HSBC FRN (AA-)	FRN	07/02/2007	22/09/2011	500,000
CBA FRN (AA)	FRN	19/01/2007	28/09/2011	500,000
CBA FRN (AA)	FRN	31/01/2007	28/09/2011	500,000
CBA FRN (AA)	FRN	04/07/2007	28/09/2011	500,000
Westpac FR Sub Debt (AA)	FRN	07/02/2007	24/01/2012	500,000
Royal Bank of Scotland (AA)	FRN	31/01/2007	17/02/2012	1,000,000
Adelaide Bank FRN (BBB+)	FRN	04/07/2007	28/03/2012	500,000
				10,100,000
Macquarie Cash Trust (AAA)	Other			195,878
				195,878
Total Lehman Brothers				19,205,878

1. Bank of Qld FRN matured 30 October 2008. Capital of \$1m plus interest was received via the Macquarie Cash Trust account on 4 November 2008.

Security	Classification	Purchase Date	Final Maturity Date	Face Value (FV)
OAKVALE CAPITAL				
Aramis (Merrill Lynch) - ABS	CDO	02/04/2007	20/12/2012	1,000,000
Momentum CDO-Credit Linked Note	CDO	15/05/2007	30/06/2012	1,000,000
Emerald Reverse Mortgage Series 2007-1 Class B	Mortgage Backed	06/07/2007	06/07/2011	1,000,000
Merrill Lynch-Blackrock Diversified Credit Fund	Managed Fund	05/01/2007		3,000,000
Total Oakvale Capital				6,000,000
WMC Investments				
St George Term Deposit (7.74% 119 days)	TD	20/08/2008	17/12/2008	1,000,000
St George Term Deposit (7.66% 148 days)	TD	26/08/2008	21/01/2009	2,000,000
St George Term Deposit (7.74% 119 days)	TD	15/08/2008	12/12/2008	2,000,000
St George Term Deposit (7.85% 120 days)	TD	24/09/2008	22/01/2009	1,000,000
NAB Bank Bill (7.59% 91 days)	TD	05/08/2008	04/11/2008	1,500,000
NAB Term Deposit (8.00% 180 days)	TD	04/09/2008	04/03/2009	2,000,000
IMB Term Deposit (8.39% 183 days)	TD	03/06/2008	03/12/2008	2,000,000
Savings & Loans CU (8.39% 122 days)	TD	25/07/2008	24/11/2008	2,000,000
Savings & Loans CU (8.23% 127 days)	TD	05/08/2008	10/12/2008	2,000,000
Savings & Loans CU (7.89% 90 days)	TD	29/08/2008	27/11/2008	1,500,000
Savings & Loans CU (6.80% 150 days)	TD	28/10/2008	27/03/2009	1,500,000
Police & Nurses Credit Society (7.85% 153 days)	TD	28/08/2008	28/01/2009	1,500,000
Police & Nurses Credit Society (7.86% 125 days)	TD	02/09/2008	05/01/2009	2,000,000
ANZ Bank Term Deposit (7.24% 62 days)	TD	01/10/2008	02/12/2008	1,000,000
CBA Online Saver	Other			1,810,245
Total WMC Investment				24,810,245
Total Portfolio				50,016,123

SUMMARY OF INVESTMENTS BY CLASSIFICATION

CDO	9,900,000
FRN	10,000,000
Managed Fund	3,000,000
Mortgage Backed	1,000,000
TD	23,000,000
Other	3,116,123
	50,016,123

CDO - Collateralised Debt Obligation

CDOs are constructed from a portfolio of assets. These assets are divided by the issuer into different tranches: senior tranches (rated AAA), mezzanine tranches (AA to BB), and equity tranches (unrated). Losses are applied in reverse order of seniority and so junior tranches offer higher coupons (interest rates) to compensate for the added default risk.

FRN - Floating Rate Note

Floating rate notes (FRNs) are bonds that have a variable coupon, equal to a money market reference rate, plus a spread. The spread is a rate that remains constant. Almost all FRNs have quarterly coupons, i.e. they pay out interest every three months.

Managed Fund

Managed Funds are a way of investing money with other people to participate in a wider range of investments than those feasible for most individual investors, and to share the costs of doing so.

Mortgage Backed Security

A mortgage-backed security is an asset-backed security whose cash flows are backed by the principal and interest payments of a set of mortgage loans. Payments are typically made monthly over the lifetime of the underlying loans.

Term Deposit

Term Deposit is a money deposit at an approved deposit taking (ADI) institution for a fixed term at a fixed interest rate. When the term is over it can be withdrawn or it can be held for another term.

Summary of Receipts, Payments and Bank Balance

Cash Book Balance as at 30 September, 2008

-346,150.78

Receipts

Rates

511,722.00

Other

11,585,938.75 12,097,660.75

Total Receipts

Description	Amount
Sundry Debtors Control	-511,721.94
S/Dr's-Rates	-509,833.14
Parking Fines	-356,818.06
Deposits & Bonds Control Account	-303,618.00
GST Clearing Balance Account	-243,239.00
Disposal (Asset) Clearing Account	-207,927.33
Trade Waste Debtors Control	-101,009.93
Other Developer Contributions	-94,835.84
Ex Gratia Rates	-90,526.99
Development Application Fees	-69,607.13

Payments - Cheque

Cheque Payments

-1,125,082.19

Cancelled Cheques

93,185.93

Total Cheque Payments for period

-1,031,896.26

Cheque No	Cheque Date	Payee	Description	Amount
201439	16/10/2008	Energy Australia	Street lighting charges - Sept08	-111,867.07
201542	23/10/2008	Willow Ware Australian	Kitchen organics bin trial	-73,230.70
201301	02/10/2008	McGrath Sutherland Kirrawee	Fleet purchases	-53,967.72
201526	23/10/2008	Department of Lands	Rates - Valuer General's charges	-52,027.80
201457	16/10/2008	Chief Commissioner of State Revenue	Onforwarding of unclaimed monies	-45,320.00
201606	30/10/2008	Infinity Australia Pty Ltd	Refund of footpath/infrastructure bonds	-43,000.00
201561	23/10/2008	Unicom Landscaping Services	Rushcutters Bay Seawall Restoration	-37,851.00
201398	09/10/2008	Withheld	Refund of security deposit	-30,100.00
201560	23/10/2008	Thompson Berrill Landscape Design	Gap Park Entry Works	-27,494.72
201293	02/10/2008	City Ford, Mascot	Fleet purchases	-26,248.76

Payments - EFT

EFT Payments

-9,066,535.20

Returned EFT Payments

60.94

Total EFT Payments for period

-9,066,474.26

Reference	EFT Date	Payee	Description	Amount
66893091	30/10/2008	Sydney Civil	Bay Street, Double Bay upgrade works	-391,451.96
18853	02/10/2008	Holdsworth St Community Centre	Sect 356 Donation	-198,000.00
19162	30/10/2008	StateCover Mutual Limited	Workers Comp Insur premium adj to 30/06/08	-175,252.45
19009	16/10/2008	Local Govt Super Scheme-Div.A	Employer/Employee super contribs for Sept'08	-172,383.84
19010	16/10/2008	Local Govt Super Scheme-Div.B	Employer/Employee super contribs for Sept'08	-150,571.23
19027	16/10/2008	Scully & Associates	Coast Walk Fencing - general works	-127,755.54
19062	23/10/2008	Collex Waste Management	Waste Recycling - Aug'08	-125,298.03
18877	02/10/2008	Sam The Paving Man	General works - Transvaal Av., Double Bay	-115,551.15
18984	16/10/2008	Downer EDI Works	General works - Roslyndale Av, Thornton St.,	-112,567.21
19171	30/10/2008	WSN Environmental Solutions	Tipping fees - 1-14/09/08	-98,660.06

Payments - Direct Debits From Bank A/c

Payroll

-1,575,103.11

Bank Charges

-13,359.80

Credit Cards

0.00

Councillors' fees

-3,702.57

Council Rates

0.00

Total Direct Debits for period

-1,592,165.48

Total Payments

-11,690,536.00

Cash Book Balance as at 31 October 2008

60,973.97

Unpresented Cheques No. of Cheques:

185 288,932.85

Outstanding Deposits & Miscellaneous Items

10,860.12

Reconciled Cash Book Balance as at 31 October 2008

360,766.94

Bank A/c Balance as at 31 October 2008

360,766.94

Unpresented Cheques > \$30,000.00

Cheque No.	Cheque Date	Payee	Amount
201183	23/09/2008	Woolworths Limited	35,720.00
201606	30/10/2008	Infinity Australia Pty Ltd	43,000.00

Item No: D6 Delegated to Committee
Subject: **Corporate Planning & Reporting**
Author: Kylie Walshe, Director Community Services
File No: 627.G
Reason for Report: Brief the Council on the proposed changes to Corporate Planning for Local Government in NSW, and the proposed response by Woollahra Council.

Recommendation:

- A. That Council endorse the implementation of the new Corporate Planning framework, to commence in the 2009 – 2010 year.
-

This report will be accompanied by a presentation to the Committee.

Background:

Council currently undertakes corporate planning in accordance with the Local Government Act 1993. This includes:

- A three (3) year Management Plan, including annual financial budgets.
- Quarterly reports on the progress of the Management Plan.
- An Annual Report
- A State of the Environment Report, annually.
- A Social and Community Plan every 5 years.

In accordance with these requirements Woollahra has been working to a planning framework for the past 10 years. The projects and core activities included in the Management Plan are drawn from a wide range of strategic documents endorsed by Council, and Notices of Motion that may have been adopted throughout the previous years. For example, the documents referred to when developing the detail in the current Management Plan include:

- Recreation Needs Strategy
- Environmental Plans
- Social & Cultural Plan
- Property Assets Strategy
- Open Space Plans of Management
- Traffic & Transport Strategy
- Bike Plan

The current corporate planning framework is detailed in Annexure 1.

Review by Department of Local Government:

The Department of Local Government (the Department) commenced a review of corporate planning and reporting for local government in NSW, with the release of an Options Paper in 2006. The development of the Options Paper was driven by:

- Increased expectations of local government
 - The NSW Local Government Reform Program
-

- Recent inquiries and studies into council's strategic performance
- Changes to the industry's operating environment
- Innovation from within the industry

The key issues of the existing planning process were identified as:

- It does not encourage long term planning.
- A lack of long term financial planning.
- Uncertainty about integrating Council plans with state and regional priorities.
- Limited community engagement.
- Lack of integration within Councils strategic planning.
- Current regulatory requirements are too prescriptive, directing resources towards compliance rather than achieving strategic outcomes.

The Paper canvassed a number of options and invited submissions from Councils. The three options considered were:

1. Maintain the status quo
2. Add to the existing framework
3. Reshape the framework

See the Options Paper in Annexure 2 for more detail on these options.

After extensive consultation the Department considered 'Option 3 – Reshape the framework' as the most appropriate model for meeting current and future demands on local government, with a greater emphasis on strategic planning and community involvement.

Option 3 includes the development of a long term (10 years +) Community Strategic Plan. This will be supported by a Delivery Program for the 4 year Council term that will outline how the Council will deliver outcomes proposed in the Community Strategic Plan and a one year Operational Plan that will outline the implementation plan for the Delivery Program.

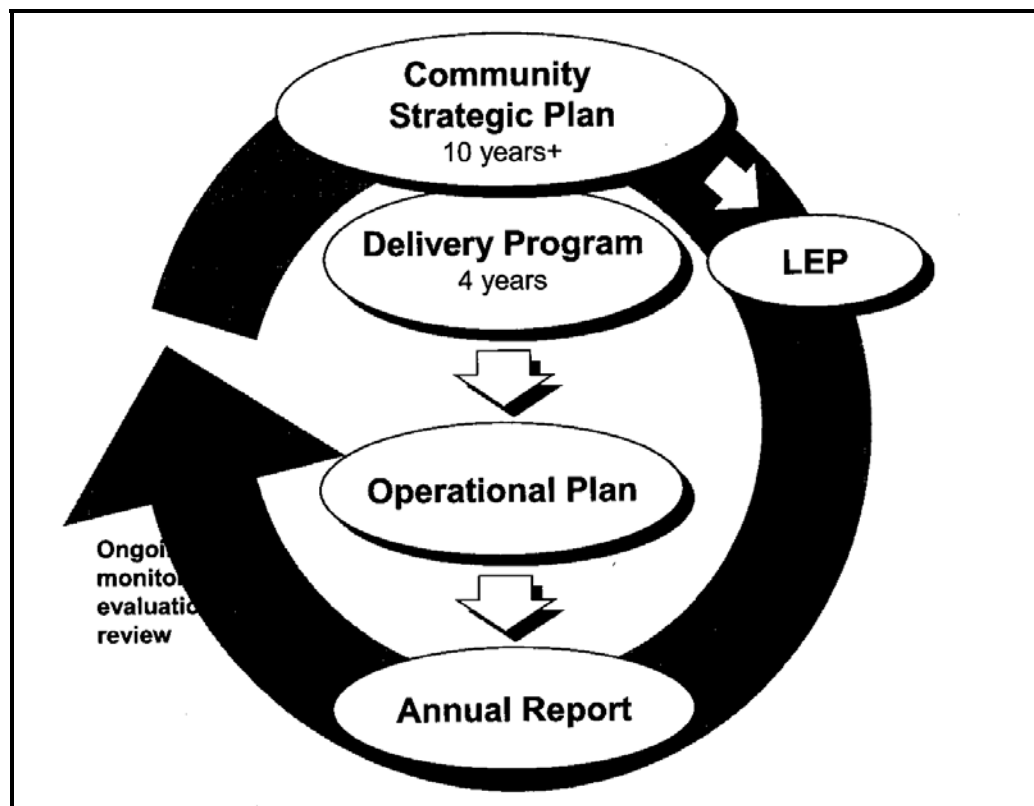
This framework is now being pursued by the Department as it not only encourages strategic planning for the community but makes it mandatory. Key elements of the Community Strategic Plan are:

- The strategic plan will be long term and focus on building a sustainable community and the various roles that Council can plan in achieving this aim. It must include a vision statement, strategic objectives and strategies for achieving each objective.
- Councils need to think beyond the services that they can directly provide and determine where they, as an organisation, will fit within their community's future. The plan is for the community, rather than just the Council.
- The mandatory structure of the Social Plan will no longer be applied but Councils will still be expected to undertake social planning and monitoring.
- The requirement for community engagement will be mandated by legislation, the method of carrying this out will not.
- Integral is a 10 year resourcing strategy, which outlines the financial commitment required to achieve the Plan's outcomes.
- The Plan must cover four themes as a minimum: Social, Environmental, Economic and Civic Leadership.

It is envisaged that this new planning framework will encourage an integrated strategic approach in local government, with resources directed to achieving strategic outcomes.

See Figure 1 below for the proposed Planning & Reporting Framework.

Figure 1: Proposed Planning & Reporting Framework, Dept of Local Government



An example of how these documents fit together is shown below:



The Department is currently drafting legislation to implement Option 3, with the draft Planning & Reporting Guidelines due to be released prior to the end of the year, inviting submissions. Once these submissions are received and final amendments made, it is anticipated that the legislation will be considered in the first sitting of Parliament in 2009.

In order for Woollahra Council to meet the proposed legislation, amendments to our corporate planning will be required. The main change is the preparation of a long term Community Strategic Plan, a more thorough community engagement process and the preparation of a resourcing strategy.

Proposal:

Rather than await the legislation the General Manager and Directors have taken a proactive approach and commenced reworking the Woollahra corporate planning framework with the aim to have the new corporate planning framework for use in the first planning cycle of this Council term.

The work undertaken to date has involved the commencement of the integration of all adopted strategic plans, including the current Management Plan 2008-2011, into a high level single strategic document. The *Preliminary Draft Woollahra Community Strategic Plan* will outline the existing strategic direction of Council, reflect the findings of community consultation taken to develop the strategic documents and meet the current and proposed legislative requirements, with the exception of the community engagement. The Social & Cultural Plan and State of the Environment Report will also be integrated into the new planning framework. The *Preliminary Draft Woollahra Community Strategic Plan* is due to be presented to Council in March 2009. Although Council will be unable to adopt this document until community engagement has occurred, it is considered worthwhile to integrate Councils current strategic direction into a consolidated document and to use this document to inform the next planning cycle.

A new template for the Delivery Program for the 4 year term of the Council is also under development. It is recommended that Council use this new template for the next corporate planning cycle, replacing the Management Plan 2008-2011 with the Delivery Program 2009-2013 in July 2009. This template will meet both the existing and proposed legislation and will reflect the existing strategic direction in the *Preliminary Draft Woollahra Community Strategic Plan* and Councillor priorities. To ensure that the Delivery Program meets the priorities of the new Council workshop/s with Councillors will be scheduled in March/April 2009. The Delivery Program 2009-2013 will be adopted in June and implemented from July 2009 to June 2010.

While implementing the adopted Delivery Program, it is recommended that work continue on the development of the required Community Strategic Plan. 2009 will be spent engaging the community and amending the *Preliminary Draft Woollahra Community Strategic Plan* in accordance with the outcomes of this engagement and any changes that may occur in the proposed legislation. It is envisaged that Council will adopt the *Final Woollahra Community Strategic Plan 2010 -2025* in late 2009. Then the Delivery Program will be reviewed and updated to reflect the community engagement process and any change in Councillor priorities. The Operational Plan 2010/11 will also be drafted from the Delivery Program.

The preparation of a Resourcing Strategy consisting of a Workforce Plan, an Asset Management Plan and long term Financial Plan has already begun, with it aimed to have these ready for implementation in the 2010/11 financial year.

The proposed corporate planning process is shown in the timeframe below.

Timeframe	Delivery Program 2009-2013 (under existing legislation)	Community Strategic Plan 2010-2025 & Delivery Program 2010-2013 (under new proposed legislation)
March/ April 2009	Councillor Workshop/s on: <ul style="list-style-type: none"> • Preliminary Draft Community Strategic Plan. • Delivery Program 2009-13 (including budget for 2009/10). 	Community Engagement Working Party to work with consultants to determine community engagement. Work continues on the supporting plans required i.e.: Workforce Plan, Financial Plan etc.
May 2009	Draft Delivery Program 2009-2013 (including budget for 2009/10) endorsed for 28 day public exhibition period.	Community engagement occurs.
June 2009	Consider submissions and adopt Delivery Program 2009-2013 (including budget for 2009/10).	Community engagement occurs.
July 2009	Implementation of the Delivery Program 2009-2013.	Community engagement findings reported to Council. Workshop with Councillors to gather Councillor views on key issues and priorities for the Woollahra area and specifically for Council.
Sept 2009		Community engagement findings incorporated into the preliminary draft Community Strategic Plan 2010-2025 and presented to Council for endorsement.
Oct 2009		Public Exhibition and Submission period for draft Community Strategic Plan 2010-2025.
Nov 2009 onwards		Amendments to documents and adoption of the Final Woollahra Community Strategic Plan by Council.
		All plans required by the new legislation presented to Council, including: <ul style="list-style-type: none"> • Delivery Program 2010-2013 • Resourcing Plan, including: <ul style="list-style-type: none"> ○ Asset Management Plan ○ Workforce Plan ○ Financial Plan These will all be in accordance with and support the adopted Woollahra Community Strategic Plan.

The above timeframe will provide sufficient time to effectively engage the community for the long term Community Strategic Plan whilst putting in place a new format for the next corporate planning cycle, to commence in March 2009.

Consultation:

Prior to the adoption of the *Final Woollahra Community Strategic Plan* it will be a requirement that Council engage with the local community to determine the long term community expectations and desires of local residents. As discussed earlier in this report, it is proposed that Council undertake this process in 2009. The community engagement process will assist the new Council in determining priorities and the allocation of resources for the rest of the Council term.

Under the proposed legislation, the method of engagement is to be determined by each Council, with it expected that Council will consider the make up of its community and design community engagement that will reach the different sectors of the community. There are a number of options that Council may wish to consider regarding this engagement. Council adopted a Consultation Policy and Guidelines in June 2006, which assists Council in determining the appropriate consultation for all types of issues and projects. In accordance with the Consultation Guidelines, the community engagement process for this project is categorised as High Impact and Woollahra wide, requiring extensive consultation. As the project has a high impact on all Woollahra residents, the establishment of a Community Engagement Working Party is recommended to ensure Councillor input into all aspects of the community engagement process. This Working Party will work with senior staff to develop a consultant brief for the community engagement process and select the consultants. Further information regarding the proposed Terms of Reference for the Working Party will be provided to Council early in 2009.

Options:

The options open to Council are to undertake the planning process now or delay this change for another year. Delaying the planning process for another year will result in the current Council working with two different corporate planning regimes during its term. As staff have commenced work on the new framework a delay is not recommended.

Identification of Income & Expenditure:

Funding has been allocated in the 2008/09 budget for the community engagement process. Funds required for the implementation of the Community Strategic Plan and Council's Delivery Program and Operational Plan will be determined through the budget allocation process to be undertaken in tandem with the adoption of these planning documents.

Conclusion:

This report has outlined the proposed changes to the planning and reporting requirements for local government in NSW. With the commencement of a new Council term it is recommended that Council use this opportunity to introduce a new corporate planning framework that will be in accordance with both the existing and proposed legislation. The recommended community engagement will assist Council to identify and address current and future community aspirations for Woollahra and assist in determining priorities and allocate resources throughout the Council term.

Kylie Walshe
Director Community Services

Gary James
General Manager

Annexures:

- Annexure 1: Woollahra Council – Corporate Planning Framework 2008.
Annexure 2: Integrated Planning & Reporting for NSW Local Councils, DLG October 2006
-

Item No: R1 Recommendation to Council
Subject: **62 New South Head Rd, Edgecliff - Road Reserve Encroachment**
Author: Anthony Sheedy, Property Officer
File No: 329.62
Reason for Report: To give consideration to the formalisation of an existing encroachment by granting of an easement to permit existing structure to remain on roadway adjoining the property.

Recommendation:

- A. That the encroachment on the New South Head Road reserve at the front of 62 New South Head Road, Edgecliff, be formalised by granting of an Easement to Permit Encroaching Structures to Remain, to continue for the life of the building, or the redevelopment of the site, or the redevelopment of the structure, whichever occurs first.
- B. That compensation of \$10,400 (plus any applicable GST), and all Council's costs in this matter, be payable to Council by the owners of 62 New South Head Road, Edgecliff in return for granting the Easement.

Background:

For personal reasons the owners of 62 New South Head Rd, Edgecliff are selling their property and have accordingly applied for a Building Certificate from Council. However, during inspection of the property and review of the current survey by Council's Building & Compliance staff it became apparent that there were encroaching building structures upon the adjoining road reserve of New South Head Road at the front of the property. These encroachments comprise 0.1 metre of the whole front wall of the building, and a fixed steel awning overhanging 1.235m over New South Head Road as shown on the draft Usher & Company Pty Ltd Survey plan of 23 April 2008 (Annexure 1). The awning is some 3 metres above the footpath, and both the awning and the road reserve area taken up by the wall are inaccessible to the public. Please note that currently a 'final' plan is being prepared, and I am advised by the Surveyor that the plan will remain the same.

Substantial mixed residential and commercial development were carried out by the owners in 2006-7 pursuant to Development Application DA 188/2001 for which consent was issued 7 August 2001. This consent included a condition 8 that all works must be carried out within the boundaries of the site. A subsequent plan of redefinition prepared by Usher & Company Pty Ltd to facilitate Strata Subdivision of the building (DA 308/2006/1) revealed that the building wall encroaches 0.1 metre onto the street fronting New South Head Road. However, the surveyor stated that the wall structure has existed for more than 50 years, and that over the years the boundary definition had changed due to road widening.

The matter of the encroachment was referred to Council's Technical Services Division which advised that they considered that the encroachment should either be removed or be managed by an Easement, on the grounds that it increased the size of the land developed, decreased the width of the road reserve and footpath, and that Council could not accept any liability arising from the encroachment and would not accept any responsibility for ongoing maintenance of the structure encroaching on the road.

Following discussion with Council's Property Department, the owners wrote to Council on 18 March 2008 stating that they wished to resolve the matter promptly as they were selling the property, suggesting that Council might consider granting an easement for the life of the structures, citing as reasons for leaving the structures in place that:

1. The encroachment may have arisen by virtue of redefinition of the original New South Head Road boundaries over time and resulted from an inadvertent breach by the builder when they followed the existing building line.
2. The steel awning structure provides Entrance coverage for tenants/owners against rainfall.
3. They agreed to pay Council's costs and compensation in this matter.

In response to the letter it was considered that the extent and circumstances of the encroachment did not warrant removal, but that an easement to permit existing structure to remain on the roadway was appropriate. With respect to Council's legal options, the legal advice recently obtained from Dr Lindsay Taylor, and an encroachment at Wallis St, Woollahra were recently reported to Council and have general application. In the case of 86 Wallis St, Council resolved to grant an Easement. The proposed treatment is also in accordance with the Policy for Managing Encroachments on Road Reserves which was the subject of a separate report.

Council Property staff were advised on 16 September 2008 that the Vendor owners had exchanged a Contract of Sale of Land with a Purchaser; being due for completion on 28 November 2008. It was agreed between the parties that the Purchaser will now be the one who enters into a Deed of Agreement and Easement with Council after settlement of the Contract.

The Purchaser was advised that compensation would be payable in respect of such an Easement. Council's Valuer provided advice dated 21 August 2008 that compensation of \$10,400 plus GST should be payable for the granting by Council of an easement. The Purchaser considered the Property staff offer, and agreed by email to Council on 17 November 2008 to pay \$10,400 easement compensation and Council's reasonable costs, plus any applicable GST.

The Purchaser's were advised that granting of an easement and the amount of compensation payable would be reported to Council and would be a decision for the elected Councillors. In view of the Purchaser's desire to proceed with the Sale of the property, it was agreed that a report would be put before Council at the earliest opportunity for Council determination.

The building structure on the road reserve which forms the New South Head Road encroachment is shown on the attached plan (Annexure 1). The area is an estimated 3.69 square metres, of varying depth and is 7.995 metres wide. Site photos are also included with this report in Annexure 2.

Conclusion:

It is recommended that the encroachment at the front of 62 New South Head Road, Edgecliffe and upon the road reserve, be formalised by granting of an easement to remain for the life of the building, or the redevelopment of the site, or the redevelopment of the structure, whichever occurs first, and that that easement compensation of \$10,400 (plus any applicable GST), and all Council's costs in this matter be payable by the owners of 62 New South Head Road, Edgecliff to Council.

Anthony Sheedy
Property Officer

Warwick Hatton
Director, Technical Services

ANNEXURES:

1. Draft Usher & Company Plan drawing dated 23 April 2008, showing the New South Head Road encroachment.
2. Site photo, showing extent of the New South Head Road encroachment.

Item No: R2 Recommendation to Council
Subject: Cooper Park Pond Improvement Works Contract
Author: Kelley Ambrose, Purchasing Coordinator
File No: Tender No. 08/13
Reason for Report: To recommend to Council the acceptance of a Tender

Recommendation:

- A. That Council enters into a Lump Sum contract for \$211,486.00 (excluding GST) with Total Earth Care Pty Ltd for the Cooper Park Pond and Upper Creek Reconstruction.
- B. That successful and unsuccessful tenderers be advised accordingly.

Background

The ‘upper pond’ in Cooper Park was constructed as an ornamental feature in the 1930’s. Over the past 20 to 30 years, its has become degraded due to sediment build up to the point where the actual pond area has reduced to 185m². The sediment has encouraged the growth of exotic trees in the pond area.

Cooper Park Pond 1930



Cooper Park Pond – Location Map



The cause of the sediment build up has been identified as erosion of the steep park embankments and channel banks due to uncontrolled stormwater discharge downstream of the pond, and erosion of pathways adding to sediment loading of the creek adjacent to and downstream of the pond.

The stormwater discharge has resulted in deposits of sediment, rubbish and other pollutants upstream of the numerous main channel weirs and in the park generally, and discharge of pollutants, primarily sediment, downstream of the park and into Double Bay.

The stormwater discharge has also aggravated the exotic species invasion in the park.

In 1992 Patterson Britten & Partners Pty Ltd prepared a “Cooper Park - Stormwater Management Plan” for Woollahra Municipal Council to recommend solutions to a number of problems concerning stormwater flows into the park, including the upper pond. Since then, Council has implemented many of the recommendations to improve uncontrolled flows into the park.

In 2006, Council commissioned Cardno Willing Ltd to prepare a report to investigate and recommend solutions to improve water quality and sediment loading to the creek and upper pond.

The Patterson Britten and Cardno Willing reports both identified the need to reduce sediment build up by providing an off-line sediment basin and/or wetland system to prevent future build-up of sediment in the main pond and further downstream.

In July 2007, Council commissioned Storm Consulting to research, model and design an appropriate Water Sensitive Urban Design (WSUD) solution for the environmental and stormwater problems evident at the Cooper Park Upper Pond, Bellevue Hill. Storm has completed the following stages:

- Options Report providing details of site investigations undertaken and development of concept designs for Council's consideration.
- Detailed designs and technical specifications for construction works.
- Review of Environmental Factors (REF) pursuant to the requirements of Part V of the Environmental Planning and Assessment Act (1979) (EP&A Act), and the factors listed in Clause 228 of the Environmental Planning and Assessment Regulation (2000) and the Commonwealth Environment Protection and Biodiversity Conservation Act (1999) (EPBC Act).

The project generally involves the rehabilitation of the Cooper Park Upper Pond and associated creek upstream of the pond. The works include stabilising and armouring the banks and bases of the waterway and landscaping of the immediate surrounds to improve public amenity and biodiversity.

The scope of works includes:

- Site mobilisation and establishment;
- Sediment and erosion control measures;
- Removal of weeds, sediment and debris from drainage lines, pond and surrounding areas;
- Removal of five large exotic willow, cotton wood and coral trees;
- Set-out for regrading of pond and downstream scour pool batters and levels;
- Earthworks;
- Armouring and associated rock work for pond, scour pool and drainage lines; and
- Revegetation using bushland species.

The riparian corridor - Extends approximately 5 metres either side of the creek line, and will be rehabilitated through the removal of exotic and weed species and the planting of native endemic species.

The Pond - A small sediment pond will be constructed at the inlet to the main pond in order to manage any sediment that may bypass the proposed treatment measures implemented in the catchment. An informal maintenance access area to the sediment pond will be included to enable periodic cleaning by a small excavator or backhoe. Removal of the willow and the excavation of sediment deposits from the pond will also be undertaken.

Sediment deposits within the pond will be excavated to a depth of approximately 1.2 metres below weir level in order to minimise the opportunity for aquatic vegetation growth and thereby restoring the pond to its original unvegetated condition. A macrophyte bench (vegetated ledge) will be constructed approximately 400mm below the pond surface.

The Tender Process

The tender assessment panel comprised Mr Kelley Ambrose, as the convenor and independent member of the tender panel, Mr Chris Munro as the Commissioning Officer, and Mr Rod Ward who is the Project Manager for the delivery of the Project.

Council has resolved that a probity adviser should be included during the tender assessment stage for high risk, high value or sensitive projects. This project was deemed not to meet the requirement for a probity adviser.

Tenders were advertised in the Sydney Morning Herald on Tuesday August 19 2008 and a pre-tender meeting was held on Tuesday September 2 2008. Fourteen tenderers attended the pre-tender meeting and four of those submitted a formal tender. The names and prices of the four tenderers are outlined in Table 1.

Table 1 - Prices of all Tenderers

TENDERER	Lump sum tender price (excl GST)
1. Collective Civil Pty Ltd	\$174,341.55
2. Total Earth Care Pty Ltd	\$211,486.00
3. Murphy McCarthy & Associates	\$224,675.00
4. Celtic Civil Pty Ltd	\$274,481.00

The following criteria were used for evaluation of tenders;

- Cost and Pricing: 35%
- Demonstrated Experience and Capacity: 20%
- Program and Methodology: 15%
- Duration of Works: 10%
- Organisational Capability 10%
- Quality Management: 5%
- Addressing the requirements 5%

The evaluation panel agreed that all of the tenders met the conformance requirements, and scored each of the tenders on the above criteria to give the following results:

Table 2 - Tender Scores

Tender Criteria	Max possible score	TOTAL EARTH CARE	CELTIC CIVIL	MURRAY McCARTHY	COLLECTIVE CIVIL
Experience and capability	20	20.00	15.00	15.00	12.50
Program and methodology	15	15.00	11.25	11.25	3.75
Duration of works	10	5.00	10.00	6.00	7.50
Organisational Capability	10	10.00	7.50	5.63	3.13
Quality Management	5	5.00	3.75	3.75	1.25
Addressing the requirements	5	5.00	3.75	3.75	2.50
Price	35	28.85	22.23	27.16	35.00
TOTAL	100	88.85	73.48	72.54	65.63
RANKING		1	2	3	4

1. **Experience and capacity:** Information was requested pertaining to the scope and complexity of past civil experience, particularly of an environmentally sensitive nature. Total Earthcare Pty Ltd scored highest, as they specialise in this type of work.
2. **Program & Methodology:** Information was requested on each tenderer's approach to the project program, construction methodology and environmental management. Total Earthcare Pty Ltd scored highest in this criterion due their approach, including environmental controls and movement of materials.
3. **Duration of Works:** Celtic Civil offered the shortest duration for work, however all tenders fell within the acceptable range.
4. **Organisational capability:** Information was requested on each tenderer's expertise on this type of project. Total Earthcare scored highest in this respect, however Celtic Civil also scored well.
5. **Quality Management:** Information was requested pertaining to documentation and procedures for quality management, and Total Earthcare received the highest score as their documentation is highly detailed and accredited.
6. **Addressing the requirements:** The clarity and general detail in the supporting information. Total Earthcare received the highest score due to their comprehensive and detailed submission.
7. **Price:** Tenderers provided information on estimated quantities and rates that make up the lump sum price. There were no additional claims or qualifications to the prices, the lowest price is deemed to achieve 100% of the score for this criterion. The lowest price is divided by the other tenderer's prices to give their respective scores as percentages.

Tender Assessment Panel Opinion

Total Earth Care Pty Ltd scored the highest score in the tender process and submitted the second lowest price. This company demonstrated a high level of experience and organisational capability with this type of work and provided detailed information on the proposed works program and methodology. Total Earth Care Pty Ltd achieved a low score under the 'Duration of Works' criteria as they included a contingency period of 2 weeks. However, this is a minor issue as the works will be undertaken within Cooper Park and there will be no adverse impacts on traffic and transport. Overall, Total Earth Care Pty Ltd scored highest on its quality management and general level of documentation.

Collective Civil Pty Ltd submitted the lowest price, however they achieved the lowest score overall. A number of concerns were raised by the Evaluation Tender Panel in respect to Collective Civil's operations and capabilities for this particular type of work. Collective Civil do not have accreditation in OH & S or Environmental Management and limited information was provided in regards to their methodology and quality controls.

The Evaluation panel interviewed Collective Civil on the basis of the lowest price, and also interviewed Total Earth Care on the basis of highest overall score. During the Tender Panel interviews with Collective Civil a number of risks were identified in regards to their proposed methodology, price, timeframe and quality controls. Collective Civil has had limited experience with this type of project, and it was unclear how they would undertake the work. The Tender submitted by Collective Civil had limited information and did not provide any information on the following selection criteria:

- Experience: Limited experience with riparian regeneration project
- Quality Management: No Environmental Management Plan
- Organisational Capability: No Company Financial Information
- Quality Management: No Quality Management documentation or accreditation
- Organisational Capability: No OH & S documentation

The evaluation panel identified a number of potential risks with Collective Civil's tender:

- High risk of variations in price, as Collective Civil's prices were inconsistent with the industry market rates provided by the consulting engineers.
- High risk of program variations and extensions to the duration of works.
- Inexperience with this type of environmentally sensitive project, which may result in a high level of contract supervision by Council staff

Total Earth Care Pty Ltd is the second ranked tender price. The additional \$37,145.00 over the lowest tender price is offset by Total Earthcare's demonstrated capability to undertake this environmentally sensitive project within an acceptable time frame.

Identification of Income and Expenditure:

The Total Earthcare tender price is \$211,486.00.

This project will be jointly funded by the Environmental Works Program (EWP) and the Open Space Capital Works Program.

Council has allocated \$125,901 in its Environmental Works Program for 2008/2009 for the Cooper Park Pond improvement works.

There is also \$32,766 allocated in the public open spaces budget for 2008/2009 for the Cooper Park Pond improvement works, which gives a total allocation for this Project of \$158,667.

Table 3 sets out the estimated cost breakdown for the Cooper Park Pond improvement works, subject to Council's approval, in favour of the recommended tenderer, Total Earth Care Pty Ltd.

Table 3

Project Component – Cooper Park Pond	Cost
Site Establishment	\$ 13,090.00
Access Track – Water Diversion Works	\$ 2,766.80
Creek Rehabilitation	\$ 38,400.20
Main Pond Works	\$ 120,401.60
Downstream Scour Pool Works	\$ 14,704.60
Revegetation/Landscaping	\$ 16,320.20
TOTAL ESTIMATED PROJECT COST (excluding GST)	\$ 211,486.00

It is recommended that the shortfall (\$52,819) between the recommended tender price of \$211,486 and the budget (\$158,667) be addressed by deferring the 08/09 EWP Project No. 00012 'water quality treatment program'. This is a water quality monitoring project that can not be undertaken until we have completed a Strategic review of the Environmental Works Program (EWP). As the EWP Strategic Review will provide recommendations for water quality monitoring across the Woollahra Council area and will not be finalised until May 2009, the water quality treatment program should be deferred until the 2009/2010 financial year.

Recommendation:

That the Cooper Park Pond Improvement Works Contract be let to Total Earth Care Pty Ltd for a lump sum of \$211,486.00 (excluding GST).

Kelley Ambrose
Purchasing Coordinator

Warwick Hatton
Director Technical Services

Item No: R3 Recommendation to Council
Subject: **Bellevue Hill Shopping Centre Streetscape Improvement Works**
Author: Trent Scrivener – Project Engineer
File No: 1216.G
Reason for Report: To recommend a staged program of works for the Bellevue Hill Streetscape Project.

Recommendation:

- A. That Council proceed to tender for the construction of the Bellevue Hill Shopping Centre Streetscape Improvement Works as three Separable Portions, being Stage 1 - Road Reconstruction, Stage 2 - Footpath Reconstruction and Stage 3 – Lighting and Electrical Services, with the objective of commencing construction of Stages 1 and 2 in March 2009 and of Stage 3 in the 2009/2010 financial year.
- B. That Stage 1 (\$415,548) be funded from the 2008-09 Streetscapes capital works loan funds (\$369,303) and the 2008-09 Environmental Works Program (\$46,245).
- C. That Stage 2 (\$783,089) be funded from the 2008-09 Streetscapes capital works loan funds (\$46,245) and by transferring allocated loan funds totalling \$736,844 from 2008-09 streetscape projects, namely, New South Head Road, Rose Bay (\$75,000), Old South Head Road, Vaucluse (\$80,000) and Watsons Bay Commercial Centre Stage 1B (\$581,844).
- D. That the Section 94A Capital Works Program be revised and updated to include Stage 3 of the Bellevue Road Shopping Centre project, and the project be funded in 2009-10 from Section 94A funds as funds become available.
- E. That the New South Head Road, Rose Bay Streetscape project and the Watsons Bay Commercial Centre project be reassessed in the preparation of the 2009-10 budget and in the review of the Section 94A CWP with a view to funds being made available from Section 94A funds.
- F. That the Old South Head Road, Vaucluse Streetscape project be deleted from the Section 94A CWP.

Background:

In the adoption of the 2007/2008 budget Council resolved to borrow funds totalling \$6.525m to undertake various streetscape improvement projects. One of these projects was the upgrading of the Bellevue Hill shopping centre to improve the environmental performance, traffic and parking management and visual presentation of the centre. The initial scope of works for this project included the following civil works:

- Reconstruction of the footpaths using a modular paver,
- Undergrounding of overhead electrical services,
- Investigating the possibilities of increasing parking through the centre, and,
- Landscaping.

In March 2008 Council engaged James Mather Delaney Design Pty Ltd (JMD) to produce a conceptual streetscape design and, subsequently, the detailed design and documentation for this project based on the initial scope of works and detailed investigations and condition surveys of the local road, footpath, street lighting, drainage and open space assets.

JMD delivered the conceptual streetscape design in June 2008 and two workshops discussing the project initiatives were held with the Councillors and stakeholders at Council Chambers on the 23 June 2008 and 16 July 2008 respectively. Suggestions made by the Councillors and stakeholders have been investigated and, where practical, these have been incorporated into the detailed design. As a result of the condition surveys and investigations and the two workshops, the following elements have been added to the initial scope of works:

- The introduction of multi-function poles to improve street lighting and reduce the clutter of signage in the street,
- The reconstruction of the concrete road to stabilise concrete slabs and the resurfacing of the entire roadway with asphalt to improve the appearance, the durability, and the riding qualities of the carriageway. This will require the removal and reconstruction of some parts of the carriageway.
- The reconstruction of segments of kerb and gutter to remove on-going problems of localised ponding in the street,
- The construction of new pedestrian thresholds at the entrances to Buller and Riddell Streets to finish flush with the footpaths either side of the street,
- The softening of the streetscape by the use of native plants in kerb blisters adjacent to the pedestrian crossings,
- Landscaping of the Cooper Park embankment adjoining Bellevue Road and the introduction of recreational seating for the community to enjoy the views,
- The disguising of the unsightly Energy Australia transformer by the provision of hedging and a screen fence, and,
- The treatment of stormwater run-off from Riddell Street and Bellevue Road by the construction of rain gardens, the installation of porous paving in the Riddell Street car park and the addition of pit baskets in all pits so as to capture litter and sediments which are presently deposited in Cooper Park.

A plan of the extent of works is attached as Annexure 1. Additionally, a master plan of the scheme is attached as Annexure 2. This master plan encapsulates the expanded scope of works.

Detailed design and documentation began in early August 2008. It was intended to advertise tenders in October 2008 and for a contract to be let in December 2008 for works to commence in January 2009. Due to the added complexities of the expanded scope of works, however, the design phase was extended by four weeks. It is now anticipated that tenders will be called in early December 2008 with the aim of submitting a tender report to Council in February 2009 for construction to commence in March 2009.

To minimise impact on the shopping centre from the extensive road works which are involved, the road reconstruction will have to be done in stages. These road works consist of removal and pavement reconstruction over a considerable portion of the roadway and an asphalt resheet of the full roadway.

It is envisaged that works will progress in 30m sections for half the road at a time (one lane and adjacent parking lane will be fenced off at any one time). Traffic flow through the centre will have to be maintained at all times, therefore one traffic lane will have to remain open. Management of traffic through the centre (both vehicle and pedestrian) will be a priority as it is an STA bus route and is extremely busy during the morning and afternoon peaks being in close proximity to Bellevue Hill Public School. Road reconstruction for this project is expected to take approximately 10 weeks to complete.

Project Status:

JMD has now produced construction cost estimates for all of the elements of the project. These elements are shown in the following table and are listed under three stages.

Bellevue Hill Shopping Centre Streetscape Improvement Works
Stages & Cost Estimates.

STAGE	Construction Cost Estimate (excl. GST)
Stage 1 - Road Reconstruction:	
1.1 General and Preliminary Work (Stages 1 & 2)	\$ 90,900
1.2 Road Reconstruction	\$ 217,603
1.3 Install Electrical Conduit Road Crossings	\$ 60,800
1.4 Construct Stormwater Reticulation	\$ 46,245
<i>Sub-total Stage 1 - Road Reconstruction</i>	\$ 415,548
Stage 2 - Footpath Reconstruction:	
2.1 Footpath/Kerb & Gutter Reconstruction	\$ 422,942
2.2 Install Electrical Conduits	\$ 268,330
2.3 Construct Multi-function Pole Footings	\$ 59,500
2.4 Construct Cooper Park Recreational Area	\$ 32,317
<i>Sub-total Stage 2 - Footpath Reconstruction</i>	\$ 783,089
Stage 3 - Lighting and Electrical Services:	
3.1 Underground Electrical Services	\$ 206,646
3.2 Supply Multi-function Pole Street Lights	\$ 346,000
<i>Sub-total Stage 3 - Electrical Services</i>	\$ 552,646
Total (excl. GST)	\$ 1,751,283

Descriptions of each of these elements are provided below:

Stage 1 - Road Reconstruction

- 1.1 General and Preliminary Works includes consultation with residents and businesses; mobilisation on site; installation of project signboards; provision of sediment and erosion control; removal of rubbish from the site at regular intervals including paver off-cuts and paver packaging; confirm location of all existing services (both underground & overhead) before excavation commences; submission and approval of traffic management plans to appropriate authorities and execution of traffic management plans during construction stages of the contract; management of pedestrian and vehicular traffic; and demobilisation.

- 1.2 Road Reconstruction includes pressure grouting of unstable concrete slabs; saw cutting and removal of sections of rigid pavement; milling of concrete slabs and asphalt parking lanes to meet design levels; preparation of existing road surface with geo-fabric; adjust existing hydrant and manholes in carriageway; asphalt resurfacing of carriageway and parking lanes; road marking including centreline, parking lane strips and individual parking bays; excavation of street tree pits; supply and planting of trees in parking lanes including wheel stops and terrabond surround; and reconstruction of pedestrian thresholds.
- 1.3 Install Electrical Conduit Road Crossings includes the supply and installation of uPVC electrical conduit road crossings for future low voltage(LV) and street lighting reticulation.
- 1.4 Construct Stormwater Reticulation includes construction of rain garden treatment devices on corner of Buller Street and adjacent to pedestrian crossing; installation of stormwater pipes to connect to existing reticulation; supply and installation of pit baskets in existing inlet pits; construction of rain garden treatment device on corner of Lennox Street; reconstruction of sections of kerb and gutter to improve drainage; and installation of porous paving car park treatment device and connection to existing stormwater reticulation.

Stage 2 - Footpath Reconstruction

- 2.1 Footpath and Kerb & Gutter Reconstruction includes demolition, excavation and disposal of footpath, kerb and edge of road as outlined in the contract drawings; reconstruction of kerb and gutter from Buller Street intersection to Victoria Road intersection along Bellevue Road; construction of a dish drain across the entrance to Buller Street and; reconstruct kerb at the Buller Street intersection to create a narrow entrance to Buller Street and encapsulate new rain gardens; pavement reconstruction of Bellevue Road, extending from Riddell Street to the intersection of Victoria Road; construction of the footpath pavement consisting of non-reinforced concrete base and modular paving; all service covers are to have infill pit lids and be adjusted to suit new surface levels and aligned with pavers; construction of kerb access ramps complete with tactile indicator pavers; and installation of new flush pedestrian thresholds at the Buller and Riddell St entrances; reconstruction of new small brick and mortar retaining wall on NW corner of Buller Street, removal of existing Gleditsia trees from footpath edge, planting in kerb blisters adjacent to pedestrian crossings and reinstatement of existing street signs.
- 2.2 Install Electrical Conduits includes the supply and installation of uPVC electrical conduits for future LV and street lighting reticulation.
- 2.3 Construct Multi-function Pole Footings includes construction of concrete reinforced footings installed under new paved footpath.
- 2.4 Construct Cooper Park Recreational Area includes installation of crushed stabilised sandstone path; planting on fringe of path; creating breaks in sandstone wall to improve pedestrian access; moving heritage horse trough into recreational area; construction of small retaining walls adjacent to transformer; planting of hedges around transformer; and planting of new adjacent sandstone gabion basket walls.

Stage 3 – Lighting and Electrical Services

- 3.1 Underground Electrical Services includes the supply and installation of electrical cabling including new multi-function pole street lighting reticulation; reconnection to all serviced properties; commissioning of new underground electrical reticulation; and removal of all overhead cables and redundant poles.

- 3.2 Supply Multi-function Pole Street Lights includes the supply of new multi-function poles and street lights and all other components specified; installation of new multi-function poles and street lights and all other associated components; connection to electrical supply (including provision for cross-over requirements, interruption of power, alternate power sources such as generators); commissioning of multi-functional poles and all associated components; and installation of regulatory signs on multi-function poles in accordance with Council direction.

Identification of Income and Expenditure:

Following a review of the construction cost estimates it was identified that Council's current allocated budget to undertake the Bellevue Hill Streetscape Improvement Works would not be enough to include all of the elements which have been included since the initial project conception.

The original budget allocation for this project is \$600,000. To date \$179,728 has been spent on the design and documentation for the expanded scope of works, leaving \$420,272 remaining for the construction works. This is sufficient to cover the cost of Stage 1 - Road Reconstruction (\$415,548).

Construction of part 1.4 Construct Stormwater Reticulation - \$46,245 of Stage 1 can be funded from the Environmental Works Program and could be reduced by a State Government grant for Urban Waterways Initiatives. Council has applied for a grant from the Department of Environment and Climate Change for these works and is waiting a response, anticipated in February 2009.

To minimize disruption to the shopping centre it is proposed that Stage 2 - Footpath Reconstruction (\$783,089) be carried out in association with Stage 1 by utilising the above \$46,245 residual funds in the Bellevue Hill Streetscape capital works budget and by transferring a total of \$736,844 from funds allocated in the 2008-09 budget for other streetscape works, namely New South Head Road, Rose Bay (\$75,000), Old South Head, Vaucluse (\$80,000) and Watsons Bay Commercial Centre Stage 1B (\$581,844). These loan funds were allocated in the 2007-08 budget and were subsequently included in Council's resolution to raise \$6.525m in loan funds in 2008-09.

The above three streetscape projects are all included in the current Section 94A Capital Works Program but they have been independently allocated budgets from loan funds in the current year. If these loan funds are used elsewhere (as proposed above) these projects can proceed in the future through funding from Section 94A funds. Additionally, Stage 3 of the Bellevue Hill Streetscape Project can be funded from Section 94A funds if the Section 94A Capital Works Project (CWP) is reviewed.

Section 94A Capital Works Program:

The New South Head Road Rose Bay Streetscape Project involves extension of modular paving westwards on both sides of New South Head Road from the existing modular paving which ends midblock between Newcastle Street and Norwich Road. The existing paving in this area is serviceable and reconstruction of this paving is not considered to be of high priority at this time. Additionally, prospective redevelopment of one commercial site on the southern side of New South Head Road may present an opportunity for portion of this paving to be reconstructed at the developer's expense. It is therefore recommended that this project be reassessed in the preparation of the 2009-10 budget and in the review of the Section 94A CWP with a view to funds being made available from Section 94A funds.

The Old South Head Road, Vaucluse Streetscape Project refers to the shopping centre at Towns Road. This centre has been inspected and paving is complete and in good condition. Recent developments in this shopping centre have facilitated the completion of modular paving on the Woollahra side of Old South Head Road and no new works are required. It is therefore recommended that this project not proceed and that it be deleted from the reviewed Section 94A CWP.

The Watsons Bay Commercial Centre Project has been the subject of numerous public meetings and details of the final design are yet to be finalised. At present \$1,106,113 is budgeted for this project in 2008-09. It is proposed to progress this project this year by reconstruction of the bus turning area and the installation of a bus shelter on the western side of the road. The other elements of Stage 1B of this project will require further public consultation and therefore will not be able to be completed in the current financial year. Residual funds of \$524,269 will suffice for the proposed bus turning area works and bus shelter installation in 2008-09. It is recommended that this project be reassessed in the preparation of the 2009-10 budget and in the review of the Section 94A CWP with a view to funds being made available from Section 94A funds.

The Section 94A Capital Works Program needs to be reviewed and updated to include Stage 3 of the Bellevue Hill Streetscape Project in the revised program and to delete the Old South Head Road Vaucluse Streetscape Project from the revised program.

Summary:

It is desirable for works in the Bellevue Hill shopping centre to commence and progress to completion in one program. The current proposal calls for commencement of works in March 2009 (i.e. Stages 1 & 2) and the remainder of works (i.e. Stage 3) to commence in 2009-10. This approach is beneficial on financial grounds as there will be less duplication of establishment costs and there will be potential for savings based on economies of scale. This approach will also be less disruptive to the local business and residential communities. The proposal to use existing budgeted funds for Stage 1 and part of Stage 2, to reallocate existing loan funds for Stage 2, and to fund Stage 3 from Section 94a funds commencing in the next financial year is recommended.

It is recommended that the two projects detailed in this report, namely, New South Head Road, Rose Bay (\$75,000), and Watsons Bay Commercial Centre Stage 1B (\$581,844) be deferred to 2009-10 to be funded from Section 94A funds as they become available. It is also recommended that the Old South Head Road, Vaucluse project be deleted from the Section 94A CWP as this work has been carried out.

Trent Scrivener
Project Engineer – Engineering Services

Warwick Hatton
Director Technical Services

Annexures:

1. Plan showing extent of Bellevue Hill Shopping Centre Streetscape Improvement Works
2. Master Plan of Bellevue Hill shopping centre streetscape improvement scheme

Annexure 1 - Extent of Bellevue Hill Shopping Centre Streetscape Improvement Works



Item No: R4 Recommendation to Council
Subject: **Watsons Bay Commercial Centre - Relocation of Bus Stop and the provision of a New Bus Shelter**
Author: Greg Stewart - Project Manager Strategic Projects & Policy
File No: 950.G, 311 Streetscape
Reason for Report: To inform Councillors of the current status of this project and proposed future action.

Recommendation:

- A. That the proposed relocation of the Military Road, Watsons Bay bus stop, together with the proposed changes to the bus turning area, through traffic lanes, signposting and linemarking as shown in Revised Bus Stop Proposal Dwg No. 15011/2 (Annexure 2), be submitted to the Woollahra Traffic Committee for approval,
- B. That following approval by the Woollahra Traffic Committee, the proposal proceed to tender.

Background:

In 2004, following extensive community consultation, Council adopted a Master Plan for the upgrading of the Watsons Bay Commercial Centre between Old South Head Road and Cliff Street, Watsons Bay. This Master Plan, which was to be implemented in stages as funds became available, generally comprised of the following works:

1. Streetscape improvement works to the shopping centre including the provision of new footpath treatments, selective footpath widening, the under-grounding of overhead power cables, new street lighting and new street furniture,
2. the provision of a bus bay and new bus shelter on the eastern side of Military Road just south of Gap Road,
3. The provision of a large roundabout, suitable for use by Sydney Buses, at the intersection of Military Road and Cliff Street to permit the existing bus layover area adjacent to Robertson Park to be relocated to the eastern side of Military Road between Cliff Street and the current bus turning area. A tourist bus stop is also proposed adjacent to the new bus layover area,
4. The provision of a bus set-down stop at the location of the existing bus layover area just north of Clovelly Street. This bus stop is to be in the through traffic lane,
5. The widening of the eastern side of the roadway of Military Road between the proposed new roundabout at the intersection of Military Road and Cliff Street and the existing bus turning area to permit angle parking on the western side of the street adjacent to Robertson Park and bus parking on the eastern side of the street,
6. The removal of the existing bus turning area at "The Gap" and the realignment of the roadway at this point to reduce the existing encroachment of the roadway onto Robertson Park,
7. The provision of a roundabout and a new pedestrian crossing at the intersection of Robertson Place, Military Road and Dunbar Street, and
8. The realignment of the northern kerb line of Robertson Place between Old South Head Road and Dunbar Street.

A copy of the approved Master Plan will be available for inspection at the Community and Environment Committee meeting.

Items 4, 5 and 6 are unable to be implemented until such time as the proposed roundabout at the intersection of Military Road and Cliff Street (Item 3) has been constructed. In order to construct this roundabout, approximately 130 square metres of Sydney Harbour National Park land is required as there is insufficient space available within the public roadway to construct a roundabout of sufficient size to enable buses to use the roundabout. A large Norfolk Island pine tree in Robertson Park at the intersection of Military Road and Cliff Street prevents the roundabout from being constructed partly on Robertson Park.

In March, 2004, Council submitted an application to the Minister for the Environment seeking approval to the acquisition of the National Park land required for the construction of the roundabout at the intersection of Military Road and Cliff Street. In the application submitted, it was proposed that the National Park land required by Council for the construction of the roundabout would be obtained by exchanging it for a portion of unmade Council roadway which forms part of the adjacent car parking area, the majority of which is on Sydney Harbour National Park land. This exchange of lands would not only benefit Council, but it would also benefit Sydney Harbour National Park as they would then own all the land on which the current off street car park is constructed.

Recent enquiries made to the Department of Environment and Climate Change has revealed that it may be up to 12 months before Councils application to acquire the lands required for the construction of the roundabout, is submitted to State Parliament for approval.

Implementation of the Master Plan for the Watsons Bay Commercial Centre:

As it was projected that it would take some time to acquire the necessary National Park land to permit the construction of the roundabout at the intersection of Military Road and Cliff Street, the proposed stages for the implementation of the Master Plan were as follows:

Stage 1A - streetscape improvement works required to implement the proposed new bus bay and bus shelter only including the necessary power line under-grounding works on the eastern side of Military Road just south of Gap Road.

Stage 1B -construction of the streetscape improvement works to the shopping centre between Clovelly Lane and Gap Road / Clovelly Street including the provision of a new roundabout and pedestrian crossing at the intersection of Dunbar Street, new footpath treatments, selective footpath widening, under-grounding of overhead power cables and new street lighting and new street furniture.

Stage 2 -construction of the large roundabout at the intersection of Military Road and Cliff Street together with road realignment and road widening works between Gap Road / Clovelly Street and Cliff Street, to permit the relocation of the bus layover area, the provision of a tourist bus stop and the introduction of angle parking.

Stage 3 - the realignment and reconstruction of the northern kerb line of Robertson Place between Clovelly Lane and Old South Head Road.

Stage 1A Works – Provision of new bus bay and bus shelter on the eastern side of Military Road just south of Gap Road.

In 2005, Council resolved to adopt and exhibit a bus shelter design for installation on the proposed widened section of footpath on the eastern side of Military Road outside No 23. In June and July 2006, the bus shelter design was advertised in the Wentworth Courier, exhibited at Council and at Dunbar library and community groups were notified. Three submissions were received and in

August 2006, the Corporate and Works Committee resolved to proceed with the installation of the bus shelter.

The footpath and streetscape improvement works required to implement the proposed new bus bay and bus shelter also included power line under-grounding works in this section of Military Road. Because there were insufficient funds available to fully implement the Stage 1A works, including the under-grounding of the overhead cabling, a report was submitted to the Corporate and Works Committee in November, 2006 recommending:

- “A. That Council proceed with the widening of the footpath outside No 23 Military Road, Watsons Bay, to permit the installation of a new bus shelter approved by the Corporate and Works Committee on 21 August, 2006.*
- B. That the remainder of the proposed Stage 1A works be deferred until such time as adequate funds are available for their implementation.”*

The Corporate and Works Committee, following consideration of this report, recommended:

“That the matter be deferred and site inspection be held prior to the next Corporate and Works Committee meeting and that appropriate notice be given to interested parties, including the owners of No’s 21-27 Military Road, a representative from Sydney Buses and others, as considered appropriate.”

This recommendation was subsequently adopted by Council on 13 November, 2006.

The matter was recommended for deferral because of opposition expressed at the Corporate and Works Committee meeting by some members of the local community to the location of the proposed bus stop and bus shelter adjacent to the restaurant at No 23 Military Road. Views were also expressed at the meeting that the bus shelter was unnecessary or should be located elsewhere.

Site Meeting:

In accordance with Council’s resolution of 13 November, 2006, a site meeting was held on 20 November 2006. The meeting was held outside No 23 Military Road, the location of the proposed widened section of footpath and proposed new bus shelter. The owners of No’s 21-27 Military Road, a representative of Sydney Buses and interested parties were invited to this meeting.

Councillors Huxley, Gardner, Shapiro and Shoebridge and twenty three resident / shopkeepers attended the site meeting. At the meeting, it was clear that there was no general agreement amongst those present as to a preferred location for the bus stop and proposed new bus shelter. Some people present wanted the bus stop and shelter to be relocated to be in front of No 27 Military Road (the commercial / residential building on the corner of Military Road and Gap Road), a few wanted the bus stop to remain in its current position without a bus shelter but with additional seating, and those who seemed to be the majority of those present, wanted the bus stop and proposed bus shelter to be relocated elsewhere outside the Commercial Shopping Centre. The main issues of concern expressed at the meeting were the obstruction of harbour and park views from within the shops and restaurants adjacent to the bus stop and proposed shelter, exhaust emissions from buses using the bus stop and noise from unruly people gathering at the bus stop / shelter, especially late at night.

Alternative Bus Stop Location Proposal:

As a result of the outcome of the site meeting, alternative locations for the bus stop, outside the shopping centre, were explored and an alternative location on the eastern side of Military Road just north of Gap Road as shown on the plan attached as Annexure 1 was identified. The benefits of this proposal were as follows:

1. The concerns of the residents and shopkeepers would be eliminated as the bus stop and bus shelter would not be located within the shopping centre.
2. an additional 3 full time parking spaces and another 4 parking spaces outside business hours would be available within the shopping centre
3. the proposed median islands and bus lane markings would reinforce the bus turning area and reduce the incidence of vehicles being illegally parked in the bus turning area
4. The proposed relocation of the existing raised pedestrian crossing would provide a more direct and improved pedestrian link between Gap Park and Robertson Park
5. The proposal would improve the streetscape and the amenity of the area, which is visited by a large number of tourists each year and is a major pedestrian access point to Gap Park and "The Gap"
6. The proposal was in accordance and aligns with the Gap Park Master Plan which was recently adopted by Council.

This Alternative Proposal was submitted to the Woollahra Traffic Committee for approval in July, 2008 where it was recommended:

"A. That the proposed relocation of the Military Road, Watsons Bay bus stop, together with the proposed changes to the bus turning area, signposting and linemarking as shown on drawing No 1-36 Revision 02 dated 16 June, 2008 (see Annexure), be approved for implementation subject to confirmation that the front overhang of the bus can be accommodated.

B. That the detailed design be marked out for physical testing with Sydney Buses."

This recommendation was subsequently adopted by Council's Community and Environment Committee on 14 July, 2008.

In accordance with this resolution, the proposed changes to the bus turning area were marked out on site and physically tested by Sydney Buses. This test confirmed that the STA buses could satisfactorily turn around in the revised turning area and access the proposed new bus stop.

Following the on-site trial, the representatives of Sydney Buses have advised by letter of 18 September, 2008, that they cannot support the proposal in its current form. They have advised:

".....

In regard to the turning circle, a risk assessment conducted by Sydney Buses reported the majority of concerns with the turning circle were at a low or moderate risk with the exception of the impact of other vehicles passing a bus as the bus is stationary picking up passengers and then departing the proposed bus stop. Our safety officers rated this as a significant risk of vehicle and bus/pedestrian conflict and possible collision or pedestrian incident. Given this rating, Sydney Buses would like the proposed bus stop area to be redesigned to allow a greater space for vehicles to pass our buses with signage or line marking indicating that other vehicles must give way to buses signifying their intention to depart the stop.

Given the number of buses that terminate at Watsons Bay, the proposed design only allows space for three (3) vehicles to lay up at any given time. A report received by me from our scheduling staff indicates that the current maximum number of vehicles that should, in theory, be laid up at this location at any one time is four (4) vehicles. This does not allow for any further improvement to bus public transport for the corridors that terminate at Watsons Bay. In reality, this number is exceeded due to traffic delays resulting in late running of bus services and taking into account the NSW Ministry of Transport passenger vehicle driver fatigue regulations which dictate that bus operators require rest time prior to the commencement of a new service, more than four buses can be at this location at any given time.

Further to this, during the summer months and on cultural/special event days on the harbour, Sydney Buses supplements our normal route services to Watsons Bay due to its popularity as a recreational location and vantage point for residents and visitors. This places more pressure on the available lay up area for buses and on the turning circle itself due to illegally parked private motor vehicles and coaches.

Given all this data, Sydney Buses would desire that a minimum of four lay over spaces be permanently provided at the Watsons Bay terminus, with operational exceptions on special event days providing up to six layover spaces. This would require designated special event clearways on Military Road and the turning circle at Watsons Bay on days of special events to allow illegally parked vehicles to be removed by approved Road and Traffic Authority staff or contractors.

.....

Sydney Buses is happy to investigate any modifications that council may produce to alleviate the situation, however, the proposal put forward to Sydney Buses on 5 August 2008 cannot be supported by Sydney Buses in its current form.”

In relation to the issue of providing increased road space to permit vehicles to more easily pass buses at the bus pick up stop, it is not possible to increase the road width at this location without also increasing the south bound traffic lane width at the proposed new raised pedestrian threshold. The widening of the traffic lane just prior to this threshold increases the likelihood of a motor vehicle overtaking and passing a bus which may have stopped just prior to the raised pedestrian threshold to permit a pedestrian to cross the road, colliding with the pedestrian on the pedestrian crossing.

In relation to the accommodation for parked buses, the existing and proposed bus layover area is only large enough to accommodate three parked buses. If an additional parking space was to be provided for a fourth waiting bus, then this would have to be provided on the western side of Military Road just south of Clovelly Street. This is in the shopping centre and is the only kerbside parking space that is available immediately prior to the proposed new bus pick-up stop. This would require the existing Mail Zone to be moved and would result in the loss of four parking spaces on this side of the street, leaving only two parking spaces on this side of the street, which is the busiest side of the street in the shopping centre. In order to compensate for the loss of the four parking spaces, Sydney Buses have advised that they would be prepared to relinquish the proposed Explorer bus stop on the eastern side of the street. Although the four parking spaces that would be gained through the removal of the proposed Explorer bus stop would offset the number of parking spaces lost on the opposite side of Military Road, these spaces would be located on the least busy and least desirable side of the roadway in shopping centre. It is therefore considered that the provision of a bus parking bay on the western side of Military Road just south of Clovelly Street would be undesirable and would not be supported by the shopkeepers or regular visitors to the shopping centre.

Revised Bus Stop Location Proposal:

As a result of the response received from Sydney Buses, the design of the bus turning area has been reviewed and a revised design has been prepared which addresses and resolves the issues of concern raised by Sydney Buses to the previous proposal. This revised proposal, which provides for a bus only lane, a new bus shelter and two through traffic lanes, is shown on the plan attached as Annexure 2. This proposal also enables two buses to be accommodated in the bus only lane prior to the raised pedestrian crossing should there be a need to accommodate more than 3 waiting buses at this bus terminus.

The revised design has been reviewed by Sydney Buses who support the proposal. The benefits derived from this proposal are the same as that which would have been derived from the previous proposal.

Identification of Income & Expenditure:

The Watsons Bay Commercial Centre Project has been the subject of numerous public meetings and details of the final design of all stages are yet to be finalised. At present \$1,106,113 is budgeted for this project in 2008-09.

Now that Sydney Buses have agreed to the revised proposal for the turning circle and bus stop, it is proposed to progress the project this year by construction of this part of the Watsons Bay Commercial Centre project. The lack of the provision of a bus shelter at this location is an issue that has been of concern for many years, and the works will improve the safety of the existing turning circle.

The other elements of Stage 1B of this project will require further public consultation and therefore will not be able to be completed in the current financial year. Stages 2 and 3 cannot proceed until agreement has been reached with NPWS regarding a proposed land swap; this will be a lengthy process. Accordingly, as set out in a separate report to the Corporate and Works Committee, it is proposed to transfer \$581,844 from this project to the Bellevue Hill Shopping Centre upgrade project, leaving residual funds of \$524,269 which will suffice for the proposed bus turning area works and bus shelter installation.

It is recommended that the further stages of the Watsons Bay Commercial Centre Project be considered in the preparation of the 2009-10 budget and in the review of the Section 94A CWP with a view to further stages being carried out using S94A funds as these become available.

Conclusion:

As the revised proposal overcomes all of the concerns expressed by Sydney Buses, is supported by Sydney Buses and obtains the overall objective of the proposal which is to provide a satisfactory bus stop and bus shelter in close proximity to the bus terminus, it is recommended:

- A. That the revised proposal be submitted to the Woollahra Traffic Committee for approval.
- B. That following approval by the Woollahra Traffic Committee, the proposal be implemented with the funds currently available for the implementation of the Watsons Bay Master plan.

Greg Stewart
Project Manager Strategic Projects & Property

Warwick Hatton
Director Technical Services

ANNEXURES:

Plan showing alternative bus stop proposal dwg no. 15011/1 which was objected to by Sydney Buses
Plan showing revised bus stop proposal dwg no. 15011/2 recommended for submission to the woollahra traffic committee for approval.

Item No: R5 Recommendation to Council
Subject: **Statutory Review of Policy - Payment of Expenses and Provision of Facilities to The Mayor, Deputy Mayor and Councillors Policy**
Author: Les Windle - Manager Governance
File No: 18.G
Reason for Report: To adopt a Policy following public exhibition

Recommendation:

That the draft Payment of Expenses and Provision of Facilities to the Mayor, Deputy Mayor and Councillors Policy contained in Annexure 2 to the report to the Corporate and Works Committee on 24 November 2008 be adopted.

Background:

A report concerning the statutory requirement to annually review Council's Payment of Expenses and Provision of Facilities to the Mayor, Deputy Mayor and Councillors Policy was considered by the Corporate and Works Committee on 7 October 2008.

The Committee resolved to place Council's current Policy on public exhibition for a period of 28 days as the proposed policy for the next 12 months.

Consultation:

The draft policy was on exhibition during the period Wednesday 22 October to Wednesday 19 November 2008.

The exhibition of the draft policy was advertised in the Wentworth Courier on 22 October, 5 November and 12 November and Council's website and a copy of the draft policy was available at Council's Customer Service Centre and Council's website.

At the time of writing this report no submissions have been received on the draft policy. Any submissions received prior to the Committee Meeting will be submitted as late correspondence to the meeting.

Conclusion:

Subject to consideration of any submissions received prior to the Committee Meeting and reported to the Committee as late correspondence, it is recommended that the draft Payment of Expenses and Provision of Facilities to the Mayor, Deputy Mayor and Councillors Policy as exhibited and contained in Annexure 2 to this report be adopted.

Les Windle
Manager Governance

Geoff Clarke
Director Corporate Services

Annexures:

1. Report to Corporate & Works Committee 7 October 2008
 2. Draft Payment of Expenses and Provision of Facilities to the Mayor, Deputy Mayor and Councillors Policy recommended for adoption
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POLITICAL DONATIONS DECISION MAKING FLOWCHART FOR THE INFORMATION OF COUCILLORS

