



# Corporate & Works Committee

**Agenda:** *Corporate & Works Committee*

**Date:** *Monday 10 December 2007*

**Time:** *7.30pm*

### **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; - Delegations.
  - Adoption of Council's Management Plans; - Policies.
  - Quality Service/Communications; - Tenders as per Regulation requirements.
  - Leases.
  - Matters reserved by individual Councillors in accordance with any Council policy on "safeguards" and substantive changes

**Committee Membership:**

7 Councillors

**Quorum:**

The quorum for a Committee meeting is 4 Councillors.

# WOOLLAHRA MUNICIPAL COUNCIL

## Notice of Meeting

6 December 2007

To: His Worship The Mayor, Councillor Rundle, ex-officio  
Councillors Andrew Petrie (Chair)  
Anthony Boskovitz  
John Comino (Deputy Chair)  
Claudia Cullen  
Marcus Ehrlich  
Fiona Sinclair King  
John Walker

Dear Councillors

### **Corporate & Works Committee Meeting – 10 December 2007**

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 10 December 2007 at 7.30 pm.**

Gary James  
General Manager

# **Additional Information Relating to Committee Matters**

## **Site Inspection**

- D3 Site Inspection of Gurner Lane Paddington will be conducted at 5.00pm prior to the meeting.

## **Other Matters**

## 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 3 December 2007	1
D2	Monthly Financial Report – November 2007 - 349.G <b>* See confidential annexures distributed separately</b>	2
D3	Gurner Lane footpath widening – 256.G Working Party	7
D4	3 Queens Ave, Vacluse - Proposed road closure and sale – 374.3	16

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

R1	Drill Hall accommodation request – 787.G Drill Hall	20
R2	Fernleigh Avenue, Rose Bay – Road reconstruction project – 07/19	29
R3	R3 Holdsworth Community Centre – Annual acquittal – 2006/07	34
R4	Trumper Park Tennis Court Lease Tender - 07/013 <b>* See confidential report distributed separately</b>	78

**Item No:** D1 Delegated to Committee  
**Subject:** **Confirmation of minutes of meeting held on 3 December 2007**  
**Author:** Les Windle, Manager – Governance  
**File No:** See Council Minutes  
**Reason for Report:** The Minutes of the Meeting of Monday 3 December 2007 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 3 December 2007 be taken as read and confirmed.

Les Windle  
Manager – Governance

**Item No:** D2 Delegated to Committee  
**Subject:** **Monthly Financial Report - NOVEMBER 2007**  
**Author:** Michelle Phair, Team Leader Financial Services  
**File No:** 349G  
**Reason for Report:** To present the monthly financial report for November 2007

**Recommendation:**

A. THAT the monthly financial report for November 2007 be received and noted.

---

**Background:**

The monthly financial report for November 2007 is submitted to the Committee for consideration.

The monthly report includes the following:-

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

**Discussion:**

*Bid Updates:*

The latest CDO bid updates will be tabled at the meeting.

*Summary of Investments:*

Investment reports from fund managers Grange Securities and Oakvale Capital were not available at the time of business paper close. The summary of investments lists Grange and Oakvale securities at face value. Month end valuations will be tabled at the meeting if the fund manager reports are available at that time.

*Summary of Receipts, Payments and Bank Balance:*

Due to timing of the meeting and a rates instalment falling at the end of November the bank reconciliation had not been finalised at the time of writing the report.

*Grange Securities:*

We have received correspondence from Grange Securities on a "Strictly Private and Confidential" basis in regard to Council's investment management portfolio with Grange. This letter is attached as **CONFIDENTIAL ANNEXURE 1**.

*Further Investment Advice:*

Grove Research and Advisory have been appointed to provide further advice to the Investment Working Party in accordance with its terms of reference. The confidential proposal is attached as **CONFIDENTIAL ANNEXURE 2**.

Michelle Phair  
Team Leader Financial Services

Don Johnston  
Manager Finance

**INVESTMENTS AS AT 30 NOVEMBER 2007**

CATEGORY	PURCHASE DATE	MATURITY DATE	DAYS	%	FACE VALUE \$	TOTAL \$
<b>1. WMC INVESTMENTS</b>						
<b><u>ANZ BANK LIMITED</u></b>						
BANK BILL	26/09/2007	19/12/2007	84	6.92	1,000,000.00	
<b><u>BANK WEST</u></b>						
TERM DEPOSIT	30/11/2007	28/02/2008	90	7.35	1,000,000.00	
TERM DEPOSIT	23/11/2007	22/01/2008	60	7.19	2,000,000.00	
TERM DEPOSIT	26/09/2007	20/12/2007	85	7.03	1,000,000.00	
<b><u>NAB LIMITED</u></b>						
BANK BILL	26/11/2007	25/01/2008	60	7.07	2,000,000.00	
<b><u>ST GEORGE BANK LTD</u></b>						
TERM DEPOSIT	26/09/2007	21/12/2007	86	6.95	1,000,000.00	
BANK BILL	27/11/2007	25/01/2008	59	7.10	1,000,000.00	
<b><u>COMMONWEALTH BANK</u></b>						
ONLINE SAVER A/C					2,007,529	11,007,529
CATEGORY					FACE VALUE \$	TOTAL \$
<b>2. OAKVALE CAPITAL Limited</b>						
Funds under management *					9,526,093	9,526,093
<b>3. GRANGE SECURITIES Limited</b>						
Individually Managed Portfolio (IMP) *					21,160,000	21,160,000
<b>GRAND TOTAL</b>					41,693,622	41,693,622

**NOTE: Current valuation reports were not available from Grange Securities or Oakvale Capital at the time of business paper close.**

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

<b>Woollahra Municipal Council Portfolio</b>					
Security	Purchase Date	Final Maturity Date	Face Value (FV)	Premium / (Discount)	Purchase Price
<b>GRANGE SECURITIES</b>					
<b>Issued by non-ADIs</b>					
Lehman Global Property Note	13/06/2007	15/06/2009	60,000	0	60,000
Bishopgate (Wentworth AA-)	07/02/2007	30/09/2010	500,000	9,515	509,515
Herald Limited (Quartz AA)	04/07/2007	20/12/2010	400,000	2,428	402,428
Saphir (Endeavour AAA)	04/07/2007	04/08/2011	500,000	10,450	510,450
BELO (Kalgoorlie AA+)	27/02/2007	27/02/2012	500,000	0	500,000
Magnolia (Flinders AA)	08/06/2007	20/03/2012	500,000	4,950	504,950
Omega (Henley AAA)	20/12/2006	22/06/2012	450,000	0	450,000
Helium (Esperance AA+)	04/07/2007	20/03/2013	500,000	125	500,125
Zircon (Merimbula AA)	06/06/2007	20/06/2013	250,000	0	250,000
Corsair (Torquay AA)	04/07/2007	20/06/2013	500,000	400	500,400
Start (Blue Gum AA-)	08/01/2007	22/06/2013	400,000	1,316	401,316
Corsair (Kakadu AA)	22/01/2007	20/03/2014	500,000	-50	499,950
Helium (Scarborough AA)	17/01/2007	23/06/2014	400,000	844	400,844
Helium (Scarborough AA)	04/07/2007	23/06/2014	500,000	1,320	501,320
Helium (Scarborough AA)	23/07/2007	23/06/2014	500,000	850	500,850
Zircon (Coolangatta AA)	20/03/2007	20/09/2014	500,000	0	500,000
Beryl (AAA Global Bank Note)	03/04/2007	20/09/2014	100,000	0	100,000
Zircon (Coolangatta AA)	04/07/2007	20/09/2014	500,000	-50	499,950
Beryl (AAA Global Bank Note)	04/07/2007	20/09/2014	350,000	-25	349,975
Aphex (Glenelg AA-)	04/07/2007	22/12/2014	500,000	145	500,145
Aphex (Glenelg AA-)	10/01/2007	22/12/2014	500,000	-30	499,970
MAS6-7 (Parkes IIA 'AA-')	13/06/2007	20/06/2015	450,000	2,822	452,822
MAS6-7 (Parkes IIA 'AA-')	04/07/2007	20/06/2015	500,000	2,700	502,700
Zircon (Miami AA)	16/04/2007	20/03/2017	50,000	-5	49,995
			9,910,000	37,706	9,947,706
<b>Issued by ADIs</b>					
Bendigo Bank FR Sub Debt (BBB+)	08/06/2007	24/10/2007	0		MATURED
ANZ Principal Protected Yield Curve Note (AA)	17/07/2007	17/07/2008	100,000	0	100,000
Bank of Queensland (BBB+)	08/06/2007	08/08/2007	500,000	815	500,815
Bank of Queensland (BBB+)	04/07/2007	30/10/2008	1,000,000	10,620	1,010,620
Home Building Society FRN (BBB+)	10/01/2007	17/08/2009	500,000	6,080	506,080
Home Building Society FRN (BBB+)	11/01/2007	17/08/2009	500,000	6,070	506,070
Royal Bank of Scotland (AA)	04/07/2007	28/10/2009	500,000	2,000	502,000
Elders Rural Bank Sub Debt (BBB-)	04/07/2007	23/03/2010	500,000	3,880	503,880
NM Rothschild FRSD (unrated)	09/07/2007	10/08/2010	1,000,000	1,310	1,001,310
HSBC Sub Debt (AA-)	04/07/2007	20/05/2011	500,000	-50	499,950
Suncorp Metway Sub Debt (A)	19/01/2007	22/06/2011	500,000	705	500,705
St George Bank Sub Debt (A+)	10/01/2007	26/07/2011	1,000,000	1,120	1,001,120
HSBC FRN (AA-)	07/02/2007	22/09/2011	500,000	1,170	501,170
CBA FRN (AA)	19/01/2007	28/09/2011	500,000	1,600	501,600
CBA FRN (AA)	31/01/2007	28/09/2011	500,000	1,635	501,635
CBA FRN (AA)	04/07/2007	28/09/2011	500,000	1,805	501,805
Westpac FR Sub Debt (AA)	07/02/2007	24/01/2012	500,000	295	500,295
Royal Bank of Scotland (AA)	31/07/2007	17/02/2012	1,000,000	1,460	1,001,460
Adelaide Bank FRN (BBB+)	04/07/2007	28/03/2012	500,000	885	500,885
			10,600,000	41,400	10,641,400
Macquarie Cash Trust (AAA)			CASH	0	CASH
Bank West 11am at call			650,000	0	650,000
			650,000	0	650,000
<b>Total Grange Securities</b>			<b>21,160,000</b>	<b>79,106</b>	<b>21,239,106</b>

Security	Purchase Date	Final Maturity Date	Face Value (FV)	Premium / (Discount)	Purchase Price
<b>OAKVALE CAPITAL</b>					
Aramis (Merrill Lynch) - ABS	02/04/2007	20/12/2012	1,000,000	0	1,000,000
Momentum CDO-Credit Linked Note	29/06/2007	30/06/2012	1,000,000	0	1,000,000
Emerald Reverse Mortgage Series 2007-1 Class F	06/07/2007	06/07/2011	1,000,000	0	1,000,000
Merrill Lynch-Blackrock Diversified Credit Fund	05/01/2007		3,000,000	0	3,000,000
Adelaide Bank Managed Funds AAA Saver			3,526,093	0	3,526,093
<b>Total Oakvale Capital</b>			<b>9,526,093</b>	<b>0</b>	<b>9,526,093</b>
<b>WMC Investments</b>					
St George Bank Bill (7.10% 59 days)	27/11/2007	25/01/2008	1,000,000	0	1,000,000
St George Term Deposit (6.95% 86 days)	26/09/2007	21/12/2007	1,000,000	0	1,000,000
NAB Bank Bill (7.07% 60 days)	26/11/2007	25/01/2008	2,000,000	0	2,000,000
ANZ Bank bill (6.92% 84 days)	26/09/2007	19/12/2007	1,000,000	0	1,000,000
Bank West Term Deposit (7.35% 90 days)	30/11/2007	28/02/2008	1,000,000	0	1,000,000
Bank West Term Deposit (7.19% 60 days)	23/11/2007	22/01/2008	2,000,000	0	2,000,000
Bank West Term Deposit (7.03% 85 days)	26/09/2007	20/12/2007	1,000,000	0	1,000,000
CBA Online Saver			2,007,529	0	2,007,529
<b>Total WMC Investment</b>			<b>11,007,529</b>	<b>0</b>	<b>11,007,529</b>
<b>Total Portfolio</b>			<b>41,693,622</b>	<b>79,106</b>	<b>41,772,727</b>

**Item No:** D3 Delegated to Committee  
**Subject:** **Gurner Lane footpath Widening**  
**Author:** Warwick Hatton – Director, Technical Services  
**File No:** 256.G Working Party  
**Reason for Report:** For the Committee to consider the Gurner Lane footpath widening proposal.

**Recommendation:**

- A. That the proposal for footpath widening in Gurner Street as detailed in Annexure 1 of this report be adopted.
- B. That these works be funded from residual funds from the deferred O’Sullivan Rd project.
- C. That a TMP for the introduction of one-way traffic (east to west) in the western stub of Gurner Lane be referred to the RTA for approval.
- D. That 10 metres of ‘No Stopping be installed on both sides of the north south stub of Gurner Lane (adjacent and opposite to the rear of Nos 267 Glenmore Road).
- E. That the residents be advised of the changes to traffic conditions.

---

On 3 December 2007 the Corporate and Works Committee considered a proposal to widen the footpath of Gurner Lane. The report is attached as Annexure 1.

The Committee heard representations from Dr M Gorgensen of 265 Glenmore Road, Paddington, Ms J King of 20 Gurner Street, Paddington, Mr A Marias of 2 Gurner Street, Paddington, Mr L Davies of 20 Gurner Street, Paddington, Ms L Kinahan President of the School and P&C and LCDR S Waring member of the school P&C, addressed the Committee.

The residents also presented a petition to the Committee requesting that Council:

- 1. *“Retain the current No Standing on the northern length of Gurner Lane*
- 2. *Introduce a No Standing zone on the southern length of Gurner Lane during school days 8:30-9:45 and 3:00-4:30*
- 3. *If one way flow is deemed essential this should be east to west retaining the Glenmore Road exit from Gurner Lane”*

After consideration, the Committee resolved as follows:

- 1. *“That the matter be deferred for further consideration at the next meeting of the Corporate and Works Committee.*
- 2. *That the site be inspected by the Committee at 5.00pm prior to the Corporate and Works Committee meeting.*
- 3. *That the Director to Technical Services canvass the change of direction of the one-way flow in Gurner Lane at the Traffic Committee meeting on Tuesday 4 December 2007.”*

On 4 December 2007, the Traffic Committee reconsidered the matter. The Minutes are copied below:

*“Gurner Lane, Paddington – Footpath widening*

*This matter was referred to Council’s Corporate & Works Committee on 3 December 2007. A petition tabled at that meeting by the residents proposed the reversal of the One Way traffic flow and the provision of No Standing (No Parking) covering the existing parking spaces on the southern side of Gurner Lane during the school drop-off and pick-up times.*

*The Traffic Committee indicated that they had no objection to the reversal of the One Way traffic flow at this location and had no objection to the above mentioned No Parking on the southern side of Gurner Lane, Paddington.*

*This information will be provided to the site inspection meeting being held at 5pm on Monday 10 December, 2007.”*

Consequently it is now proposed that the previous recommendation be amended to specify that the one way traffic be from east to west permitting exit to Glenmore Road, in accordance with the petition.

---

Lorna Oliver  
**Traffic and Transport Planner**

Warwick Hatton  
**Director Technical Services**

**ANNEXURES:**

1. Gurner Lane footpath widening report (3 December 2007)

**Item No:** D4 Delegated to Committee  
**Subject:** **3 Queens Ave, Vacluse - Proposed road closure and sale**  
**Author:** Anthony Sheedy, Property Officer  
**File No:** 374.3  
**Reason for Report:** To give consideration to the closure and subsequent sale of unmade roadway adjoining the property.

**Recommendation:**

That the site be inspected prior to the Corporate and Works Committee meeting of 21 January 2008.

---

**Background:**

Council has received a request from the owners of 3 Queens Avenue, Vacluse to purchase a rectangular shaped section of unmade road adjoining their property.

The subject land is shown in hatched detail on the attached aerial plan view (Annexure 1). This unmade road reserve area is an estimated 62 square metres in size. I understand that the owners wish to purchase the subject land to formalise the existing encroachment which comprises low rise sandstone terraces and garden landscaping.

The Manager of Public Infrastructure and I inspected the subject land in July 2007. It was observed that the garden landscaping came out to the road kerb, and no footpath area was evident (Annexure 2). The Manager has no objection to the proposal to purchase this portion of road, subject to allowance for a footpath width of at least 1.5 metres having regard to the low pedestrian counts in this area. .

The Manager stated that there were no plans for any future road widening in Queens Avenue, and that this portion of road reserve was surplus to Public Infrastructure needs. However, the Manager of Public Infrastructure stated that he was only prepared to recommend sale on the basis that the line of the proposed allotment be the extension of the existing property boundaries on both side of the property.

The owners of 3 Queens Ave are agreeable to the above conditions of proposed sale and have agreed to pay all Councils costs in connection with purchase of the unmade road portion.

**Conclusion:**

In accordance with Council's Policy and Procedure for the Sale of Council Land, it is recommended that the Committee inspect the site in the first instance.

Anthony Sheedy  
Property Officer

Warwick Hatton  
Director, Technical Services

**ANNEXURES:**

1. Cadastral Plan of Wunulla Rd showing area of proposed road closure and neighbouring properties.
2. Site photo.

**Item No:** R1 Recommendation to Council  
**Subject:** **Drill hall accommodation request**  
**Author:** Jo Jansyn, Cultural Development Coordinator  
**File No:** 787.G Drill Hall  
**Reason for Report:** Proposal submitted for use of additional space by Critical Path at Drill Hall, Sir David Martin Reserve, Rushcutters Bay

**Recommendation:**

1. That the proposal for use of the Workshop Room in Drill Hall by Critical Path for the purpose of a video archive and video edit suite be endorsed.
  2. That fees associated with hire of the Workshop Room be waived in return for a community benefit program associated with Critical Path's proposed use of the space.
  3. That an agreement for an initial twelve month period expiring 31 December 2008 for use of the Workshop Room by Critical Path be formalised, and delegated to the General Manager for final approval.
- 

**Background:**

Woollahra Council currently manages the venue The Drill Hall at 1C New Beach Road, Rushcutters Bay. Due to its position in a residential area, The Drill Hall is available for use by the community as a low impact performance development facility incorporating dance development, theatre and script development, rehearsals, arts meetings and workshops and low-key performance showings.

The Drill Hall is a multi user facility and has two main areas available for community usage including "The Drill" and "The Studio". There are also a number of common areas in the building including a kitchenette and toilets.

Currently Critical Path utilise 'The Drill' area of the Drill Hall for their dance program nine months of each calendar year. Critical Path is funded by the Ministry for the Arts in NSW and has made a valuable contribution to the independent dance sector in NSW. Critical Path administer their programs from an upstairs office area which they occupy for twelve months of the year.

Critical Path has recently approached Council for use of an additional small room, The Workshop Room, within the building to develop new areas within their program. Due to its size and limited appeal to hirers, Council has previously identified the Workshop Room as a space to deliver low key programs that have some community benefit and potential to attract a broader cross section of residents to the space.

At its meeting on 15 November 2004, Council resolved

1. *That the proposal for a Writer in Residence program for Drill Hall, Rushcutters Bay by Jane Campion be endorsed.*
  2. *That fees associated with hire of the small, downstairs workshop room be waived in return for community benefit as part of the Writer in Residence program.*
  3. *That an agreement for an initial six month period for a Writer in Residence program by Jane Campion be formalised, and delegated to the General Manager for final approval.*
-

Whilst Council adopted these resolutions, the project detailed in Annexure 1 did not eventuate and because of its very small size, the Workshop Room currently attracts only informal use (i.e. storage, meetings) by hirers that are utilising other areas of the building.

Furthermore, a core activity identified within Council's adopted 2007 – 2010 Management Plan is to *develop a community benefits program that incorporates a series of Writers in Residence and skills development workshops at the Drill Hall and links back to Council's Cultural Program.* (page 115).

**Proposal:**

Critical Path proposes to utilise the Workshop Room (marked as W in Annexure 2) as a dance video archive/dance video edit suite and office area for visiting practitioners. The community benefits of this proposal include:

- having the archive open to casual visitors, including local residents, three days a week between 10am and 3pm,
- the presentation of four evening dance film information programs annually for local residents at The Drill Hall in The Drill area, which Critical Path currently lease for nine months of the year,
- the presentation of one lecture annually by a profiled choreographer engaged in Critical Path's Curated Program as part of Council's information talks such as Tea Topics or the Writers and Readers series,

Detailed information on Critical Path's proposal is outlined in Annexure 3.

**Identification of Income & Expenditure:**

Currently Critical Path are charged \$491.82 per calendar month (inclusive of GST) for the office licensed area upstairs at Drill Hall. This is a concessionary rental and not a commercial market rent; in accordance with the Council's endorsed community service groups use of this facility on Sir David Martin Reserve, Rushcutters Bay.

On advice received from Council's Property Officer, the proposed Workshop Room area (W) as shown in Annexure 2 is estimated to be 12 square metres or approximately one third of the office area. The proposed use for the Workshop Room is similar to the office and therefore the Property Officer has suggested a rental approximation of one third of \$492, which equates to \$164 per calendar month (or \$1968 pa including GST) that could be applied to this area on a concessionary basis.

It is recommended the \$164 per calendar month (including GST) fee be waived in return for the community benefits program that Critical Path have proposed for the local community. The costs to Critical Path associated with providing the community benefits component of the proposed use of the Workshop Room have been approximated as follows:

<b>Critical Path Proposed Community Benefits Program for Drill Hall</b>	<b>Cost \$</b>
4 x Evening Dance Video Information Program Screenings	
○ Screen hire (\$250 x 4)	1,000
○ Staff overtime (5 hours x 4 x \$25)	500
○ Curator of Program (\$300 x 4)	1,200
Annual lecture series	
○ Staff overtime ( 5 x hours x 4)	125
○ Artist fee	250
<b>TOTAL</b>	<b>2,178</b>

In addition, the dance video archive would be made available to casual visitors for three days a week between 10am and 3pm.

### **Conclusion:**

Council has recently received a proposal by Critical Path for additional use of the Workshop Room located at Drill Hall, Sir David Martin Reserve. In return for a waiver on hire fees for the Workshop Room, Critical Path will deliver a community benefits program in consultation with Council. The value of this has been costed as more than Council would otherwise receive for a subsidised hire fee rate for the room.

The endorsement of Critical Path's proposal for use of the Workshop Room in Drill Hall would further highlight Council's Cultural Plan commitment of formulating strategic cultural alliances in the Municipality.

A legal agreement between the parties is proposed whose term is 12 months and concurrent with the existing licence agreement expiration for the office and drill hall areas.

Jo Jansyn  
Cultural Development Coordinator

Kylie Walshe  
Director Community Services

### **ANNEXURES:**

1. Drill Hall Occupancy Report to Corporate and Works Committee, 8 November 2004.
2. Floor Plan of the Ground Level of Drill Hall, identifying the Workshop Room (W).
3. Critical Path proposal for use of The Workshop Room, dated 8 November 2007.

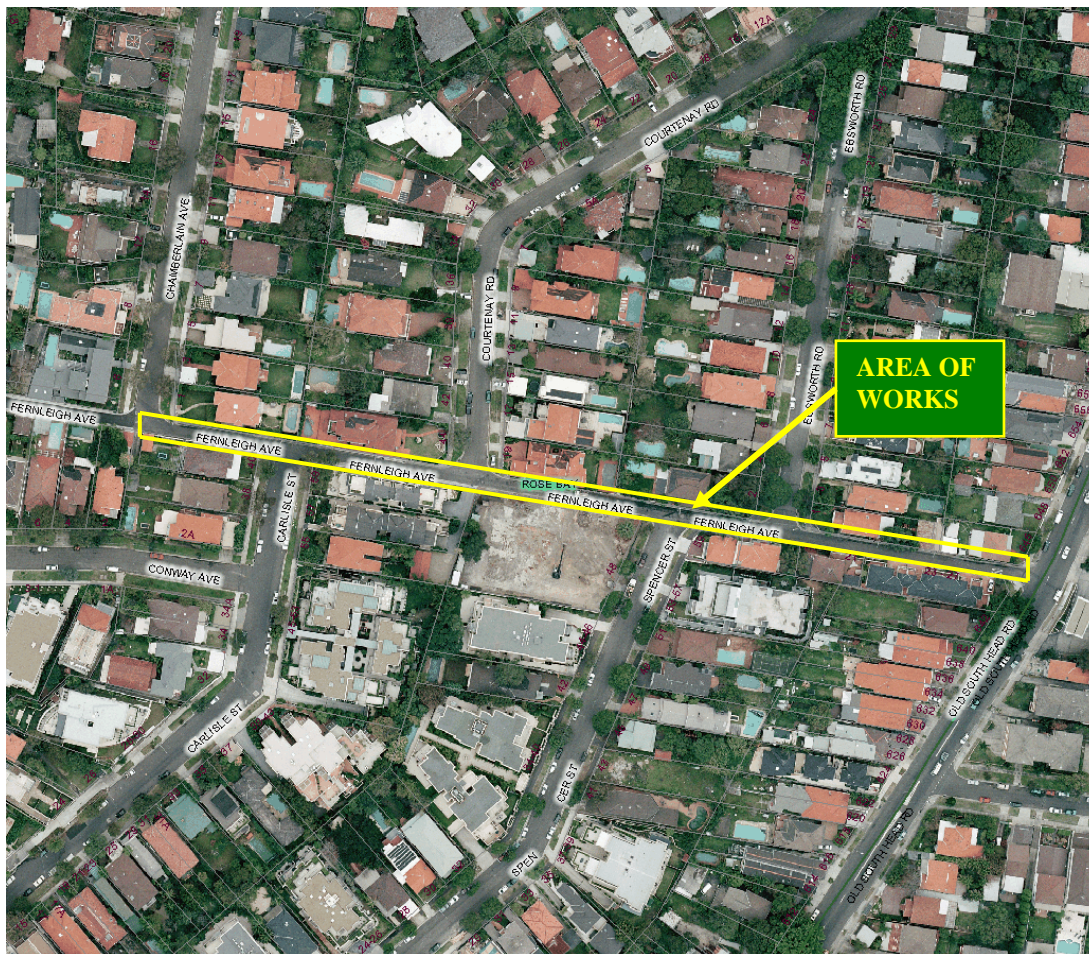
**Item No:** R2 Recommendation to Council  
**Subject:** Fernleigh Avenue, Rose Bay – Road Reconstruction Project  
**Author:** Joe Cavagnino – Purchasing Coordinator  
**File No:** Tender No 07/19  
**Reason for Report:** To recommend to Council the acceptance of a Tender

**Recommendation:**

- A. That Council enter into a Contract with Tropic Asphalts for the Fernleigh Avenue Rose Bay Road Reconstruction project for the sum of \$246,181.40 (excluding GST).
- B. That successful and unsuccessful tenderers be advised accordingly.

**Background:**

Council adopted an Asset Management Strategy in 2005, which includes a detailed condition indicator analysis of all our infrastructure assets. This condition analysis identified that in the road pavement, kerb and gutter; footpath and driveways, drainage pits and pipes in Fernleigh Avenue Rose Bay, between Old South Head Rd and Chamberlain Ave require renewal. The area of works to be carried out under this contract is shown in the location map and aerial photograph below.



**LOCATION MAP AND AERIAL PHOTOGRAPH**

In order to carry out the works, detailed design plans and specifications were prepared for the full extent of works. Tenders were invited in October 2007 from contractors with the necessary experience to undertake these works. The extent of the works to be carried out under this contract is the area of Fernleigh Avenue, Rose Bay between Old South Head Rd and Chamberlain Ave and comprise generally of the following:

- The removal and reconstruction on a new alignment of concrete kerb and gutter on both sides of the street.
- The removal and reconstruction of concrete driveways and footpaths.
- Road reconstruction, including full subgrade reconstruction, regrading, and milling and filling of the road pavement surface.
- Excavation, removal and upgrade of council's existing stormwater pipe and pits.

### **Tender Assessment**

Tender 07/19 for the Fernleigh Avenue Rose Bay – Road Construction Project was advertised in the tender section of the Sydney Morning Herald commencing on Tuesday 9 October 2007, and in the Wentworth Courier on Wednesday 10 October 2007.

Tenders for this work closed at 2.30pm on Wednesday 31 October 2007. A total of ten (10) tenders were received prior to the closing date and time.

All the tenders received by the closing time are listed in the following table:

<b>TENDERER</b>	<b>LUMP SUM TENDER PRICE</b> as shown on the Tender Form (excluding GST)
C&J Chrisos Construction Pty Ltd	\$289,634.00
Byrne Civil Engineering Construction Pty Ltd	\$260,538.79
Transfield Services	\$563,150.89
Kodi Civil	\$294,468.03
QMC Group	\$424,072.00
North Shore Paving Company Pty Ltd	\$321,353.00
Tropic Ashpalts Pty Ltd	\$246,181.40
JN Civil Pty Ltd	\$233,247.50
Ozpave	\$327,307.71
Casbee Pty Ltd	\$722,925.80

The tenders were assessed in accordance with the agreed selection criteria stated in the tender documents. The tender panel comprised Mr Joe Cavagnino who was acting as the independent member of the tender panel, Mr Jake Matuzic who is the Commissioning Officer and Mr Peter Cassilles who is the Project Manager managing the delivery of the Project.

The members of the panel from these areas are:

- The Purchasing Coordinator, who is responsible for making sure the tender process adheres to the Local Govt Tendering Regulation and Council's procedures and that all tenders are managed consistently. The Purchasing Coordinator is not involved in the projects being tendered and is considered to fulfil the role of an independent member of the panel.

- The “Commissioning Officer” is the Council Officer managing the asset, who is responsible for preparing and coordinating the tender documentation and responsible for meeting the Council’s objectives with respect to time, budget and quality of finished works or services provided.
- The “Superintendent of the Project” is the Council Officer or contract Project Manager managing the delivery of the project who will be responsible for the day to day running of the works, or supervising the provision of the service, or in the case of major plant, supervising the operational use of the item.

### Probity Adviser

Following recent reports to Council regarding the tender evaluation process and the Corporate and Works Committee’s recommendation of 3 September 2007, it was recommended that the procedure of including a probity adviser during the tender assessment stage should be continued but only for high risk, high value and sensitive projects. In this case, the contract for Fernleigh Ave Road Reconstruction was deemed to be outside the above definition and it was agreed that the assessment could be carried out by the panel without the need for a probity observer.

### TENDER ANALYSIS

Prior to the closing date, on the 31<sup>st</sup> October 2007, the tender panel agreed on the weightings that would be used against the published selection criteria.

The tenders were given a score on each item of the selection criteria, which resulted in a score out of 100, with points being allocated as indicated in the following table.

The table shows the scores and rankings of all tenders considered;

TENDERER	Demonstrated Experience 15	Duration of Works 7.5	Program & Methodology 7.5	Quality Management 10	Organisational Capability 10	Price Components 5	Price 35	Addressing Tender Requirements 10	Total Score 100	Ranking
C&J Chrisos Construction	10.00	4.29	2.81	6.50	6.50	4.25	28.19	9.41	71.95	4
Byrne Civil Pty Ltd	8.75	3.75	2.34	5.50	6.00	4.25	31.33	9.02	70.94	6
Transfield Services	10.00	2.14	7.50	6.00	7.00	4.25	14.50	10.00	61.39	8
Kodi Civil	8.13	4.29	3.28	5.00	5.50	4.25	27.72	10.00	68.17	7
QMC Group	7.50	2.50	3.75	6.00	5.50	4.25	19.25	8.82	57.57	9
North Shore Paving Co	11.88	3.33	5.63	6.00	6.50	3.75	25.40	10.00	72.49	3
Tropic Asphalts Pty Ltd	11.25	7.50	4.22	6.00	6.50	4.25	33.16	9.41	82.29	1
JN Civil Pty Ltd	8.13	3.00	5.63	4.50	6.00	3.75	35.00	10.00	76.01	2
Ozpave	11.25	1.88	5.63	6.50	6.50	4.25	24.94	10.00	70.95	5
Casbee Pty Ltd	8.75	3.00	1.88	5.00	6.00	4.25	11.29	9.02	49.19	10

1. **Demonstrated Experience:** Information was requested pertaining to size and value of past works, types of works performed and complexity of past works. From this information the evaluation panel assessed the level of demonstrated experience for each tenderer.
2. **Duration of Works:** the shortest time is deemed to achieve 100% for that weighting. Other tenderers’ duration of works are then ranked by a percentage fraction of the shortest time frame.
3. **Program & Methodology:** Information was requested pertaining to project program and time to complete, construction management plan, traffic management plan and environmental management plan. From the information received the evaluation panel were able to assess the contractor’s ability to sequentially carry out the works.

4. **Quality Management:** Information was requested pertaining to quality systems, quality of works, quality of past council works and the quality of key subcontractors.
5. **Organisational Capability:** Information was requested pertaining to quality systems, occupational health and safety systems, industrial relations, management team experience and plant & equipment. From this information the evaluation panel assessed the level of demonstrated quality management experience for each tenderer.
6. **Price Components:** Tenderers provided information on prices that were outside the lump sum price. The assessment panel considered areas such as qualifications, was the job fully priced, risk of additional claims and necessary rates for pricing extras.
7. **Price:** the lowest price is deemed to achieve 100% for that weighting. Other tenderers' prices are then ranked by a percentage fraction of the lowest price.
8. **Addressing the Tender:** Points were deducted for missing or incomplete information required to be submitted with the Tender.

### **Assessment Summary**

Tropic Asphalt is the highest ranked tenderer overall and has the second lowest lump sum price at **\$246,181.40 excluding GST**.

Although the past projects completed by Tropic Asphalt are mainly asphalt works, this company has a good experience in projects of a similar nature to the Fernleigh Avenue works. Past works completed by Tropic Asphalts have required similar expertise in traffic management and environmental issues. Tropic Asphalts have also worked for a number of Councils and reference checks indicate a good quality of workmanship, community liaison, project management and an understanding of the processes within a Council framework.

Tropic Asphalts also has the shortest duration at four (**4**) **weeks** and although this is an ambitious timeframe, Tropic Asphalt have clarified the works programme and methodology for Fernleigh Avenue and are confident it is adequate to achieve its completion within the nominated timeframe.

Tropic Asphalts has a satisfactory Quality Management System in place and is sufficient for the purposes of these works.

Tropic Asphalts own an impressive range of construction machinery which is adequate to complete the Fernleigh Avenue works. All of the listed personnel have sufficient experience.

Tropic Asphalts provided sufficient information to satisfy the Council that they have the necessary experience and capacity to successfully complete the Fernleigh Avenue project.

The lowest tenderer JN Civil, with a lump price tender of \$233,247.50 excluding GST, did not score as high as Tropic Asphalt in the areas of Demonstrated Experience, Duration of Works, Quality Management, Organisation Capability and Price Components.

Although JN Civil is \$12,933.90 less than Tropic Asphalt, it is the opinion of the Tender Assessment Panel, Tropic Asphalt provides the best value for money.

### **Identification of Income and Expenditure:**

A total available budget of \$274,669 is allocated to completing the Fernleigh Avenue Road Infrastructure Project. \$216,424 is allocated from the 2007/08 Environmental and Infrastructure Works Program and an additional \$58,245 is allocated from the 2007/08 Stormwater Levy Works Program for the stormwater works associated with this project.

The lump sum cost to complete the works using the preferred tenderer is \$246,181.40 (excluding GST). The budget available exceeds the tender price. The additional \$28,488 is available to cover all potential variation claims, project management costs and any further design incidentals.

**Conclusion:**

The tender panel recommends that Council enter into a Contract with Tropic Asphaltting Pty Ltd for the Fernleigh Ave Road Reconstruction Works Project for the sum of \$246,181.40 (excluding GST).

Joe Cavagnino  
Purchasing Coordinator

Warwick Hatton  
Director Technical Services

---

**Annexures:**

Nil

**Item No:** R3 Recommendation to Council  
**Subject:** **Holdsworth Community Centre - Annual Acquittal 2006/07**  
**Author:** Kylie Walshe  
**File No:** 126.G  
**Reason for Report:** To report the annual acquittal of the funds provided to Holdsworth Community Centre for 2006/07 and the quarterly report for July - September 2007.

**Recommendation:**

- A. The Council note the financial performance of Holdsworth Community Centre in 2006/07.
  - B. That Council agree to the revote of \$38,000 unspent operational funding provided to Holdsworth Community Centre in 2006/07, to be expended on the items requested.
  - C. That a further report be presented to Council in early 2008 regarding opportunities for the reallocation of unspent operational funding provided to Holdsworth Community Centre in 2006/07.
  - D. That Council note the quarterly report for Holdsworth Community Centre for the quarter ending 30 September 2007.
- 

**Background:**

Council entered into a Funding and Management Agreement ('Agreement') with Holdsworth Community Centre (HCC) on 1 July 2006. The Agreement outlines the delegation and planning and reporting requirements of HCC to Council.

The reporting requirements are in Section 8 of the Agreement. It states that:

*HSCC will report to Council quarterly in a manner satisfactory to Council on:*

1. *Progress against the strategic plan and budget;*
2. *How funding provided by Council pursuant to clause 4 of this Agreement has been applied;*  
*and*
3. *Progress against the KPIs.*

*HCC shall provide to Council:*

1. *Quarterly financial reports; and*
2. *An annual financial report for the previous financial year by the end of September each year.*

This report includes the annual Acquittal and Financial Report for 2006/07 and the quarterly report for the July to September 2007 period.

**Annual Acquittal and Financial Report – 2006/07:**

HCC has provided Council with an annual acquittal showing how funding provided by Council was applied in 2006/07 and the full Financial Statements for that financial year (Annexure 1). As most programs provided by HCC have multiple funding sources, the model used for this acquittal follows the requirement of the Funding and Management Agreement that HCC sources funding from other funders and releases the remaining funds back to Council.

---

There is a significant amount of unexpended funds provided by Council in 2006/07, totalling \$116,258. This is shown in the Balance Sheet 2006/07 on page 14 as Grants in Trust. The 2006/07 Financial Statements is accompanied by a request by HCC (Annexure 2) to retain a proportion of the unspent funds and release 40% or \$46,288 back to Council.

According to the Agreement, Section 4.0:

- 4.1 *Council shall provide funding to HSCC in consideration of HSCC carrying out the Delegated Functions and managing the Centre.*
- 4.2 *The amount of funding to be provided by Council to HSCC shall be determined by Council, in its absolute discretion, after Council has reviewed the strategic plan and budget prepared by HSCC under clause 3.*
- 4.3 *Notwithstanding clause 4.1, HSCC must use its best endeavours to obtain funding to carry out the Delegated Functions from sources other than Council.*
- 4.4 *In the event that HSCC obtains funding from sources other than Council, or has not expended the funding provided by Council to HSCC in the previous financial year, then Council may either:*
- 4.4.1 *Withdraw or reduce the funding it determines to provide under this clause 4; or*
- 4.4.2 *Require HSCC to carry out additional functions to the Delegated Functions.*

*Council shall direct how any funding provided pursuant to this clause is to be expended by HSCC, and HSCC shall comply with Council's directions.*

Based on Clause 4.4 in the Agreement it is at Council's discretion to allocate the unspent funds as it sees fit. It should be noted that in 2006/07 Council retained \$88,113 of unspent funds for reallocation in the operational budget of 2007/08.

#### **Proposal – Request from Holdsworth Community Centre:**

As it is Council's decision to determine the use of the \$116,258 of unspent funds a review of the request from HCC to retain some of these funds has been undertaken. It is recommended that \$38,000 requested for reallocation be approved for use in the manner detailed below.

The table below details the request for the use of the unspent funds and a comment on each of these.

	<b>Request</b>	<b>Funds required</b>	<b>Comment</b>
1.	Post balance date we received an additional invoice for workers' compensation premium with respect to FY07 salaries.	<b>\$7,423</b>	This is operational expenditure that should be covered by the projected surplus for 2007/08.
2.	Post audit we have also discovered an error in the depreciation schedule for our vehicle fleet to the cost of \$24,547. This one-off cost will need to be reflected in this year's accounts.	<b>\$24,547</b>	This is operational expenditure that should be covered by the projected surplus for 2007/08.

3.	The Woollahra Shuttle Bus Pilot project is now scheduled to run from March to June 2008. With the growth in our fleet we now propose to allocate two buses to this project on one day each week. We are applying separately for HACC funding to deliver this service to the people of Woollahra in the next triennium, once the concept has proved to be successful in the trial project.	<b>\$10,000</b>	This is a trial service that, if successful, will be funded from HACC funding. Recommended for approval.
4.	In both the interests of safety and also to control the marginal cost of additional staffing on some bus services, such as the shuttle bus project, we wish to install automatic opening systems on the doors of our two Sprinter (small) buses.	<b>\$8,000</b>	This is a worthwhile capital upgrade to much used buses within the community transport fleet. Recommended for approval.
5.	The larger of the two Holdsworth community halls is in need of a major refurbishment to make it fit for purpose and comfortable for its current use by frail elderly clients, young children, children with disabilities, staff and members of the local community who hire the space. The refurbishment would include the installation of some A/V equipment, television, curtains, box seating/storage and general repairs and painting.	<b>\$20,000</b>	These works are important for the optimal use of the facility for valuable programs and services. Recommended for approval.
<b>TOTAL</b>		<b>\$69,970</b>	<b>\$38,000 recommended for approval.</b>

As noted in the above table, it is recommended that Council fund the new initiatives but not the operational expenses requested. These expenses should be able to be covered in the 2007/08 budget, based on the projected surplus for this year.

### **Options:**

Council has the option of agreeing to the proposed reallocation of funds or retaining all \$116,258 in general revenue.

It is recommended that Council fund the new initiations and that the remainder of the unspent funds be considered for reallocation through a further report to Council. HCC also requests that Council consider the reallocation of the remainder of unused funds to fund part of the Community Garden proposed in Trumper Park. (See Annexure 2). Whilst this is a worthwhile project it is considered appropriate that funding of this should be included in the 2008/09 budget when Council considers all proposed projects.

As the subsidy to HCC was provided for the provision of community services it is appropriate that the unspent funds be used for this purpose, such as additional community grants as recommended in the resolution at the Council meeting of 13<sup>th</sup> August 2007:

A. *That Council consider the allocation of additional funds to Community Grants in future years.*

As detailed in the report (Annexure 3), a large proportion of programs funded in 2007/08 have been funded for some years by Council. This includes WAYS, Bondi Outreach Project, Bondi Beach Cottage and Miroma. Each of these have limited ability to source funding from other funding bodies/fees etc and, whilst valuable, limits the ability of Council to fund new projects for services for the Woollahra community to approximately \$10,000 per annum.

The unspent funds by HCC provide an opportunity to fund additional services to the people of Woollahra, such as through small grants and seed funding. A report regarding the reallocation of the unspent funds by HCC will be presented for Councils consideration in early 2008.

### **Identification of Income & Expenditure:**

The adoption of this proposal will have no negative effect on the current operational budget.

Over the past 6 years Council has allocated \$670,000 to HCC for the provision of services and activities to the Woollahra community, with the exception of 2005/06 where \$610,000 allocated. The funding level is determined annually through the budget process. As this is the third year in a row that HCC has been unable to expand the full subsidy provided by Council, it is recommended that the level of funding and a revised payment schedule be investigated when Council considers the subsidy for 2008/09.

### **Quarterly Report – July – September 2007:**

As required in the Funding and Management Agreement, HCC is required to provide a quarterly report to Council on the progress of key outcomes. This report is Annexure 4. It shows that the Centre is operating within budget and is on track to deliver against all KPIs in the 2007-08 Business Plan.

### **Conclusion:**

The relationship between Holdsworth Community Centre and Council is unique, with funding provided by Council more than doubled by other funding sources. This report recommends that \$38,000 of unspent funds from 2006/07 be retained by HCC and the remainder be returned to Council. The use of the returned funds will be considered through a report in early 2008, including the option of increased funding for community grants.

Kylie Walshe  
Director Community Services

### **ANNEXURES:**

- Annexure 1      Holdsworth Community Centre – 2006/07 Financial Reports
- Annexure 2      Holdsworth Community Centre – Proposal to retain surplus funding, November 2007
- Annexure 3:      Community Grants Program, Report to Community & Environment Committee, 23<sup>rd</sup> July 2007
- Annexure 4:      Holdsworth Community Centre – Quarter 1, FY08 Report

**Item No:** R4 Recommendation to Council  
**Subject:** **Trumper Park Tennis Court Lease Tender 07/013**  
**Author:** Warwick Hatton – Director Technical Services  
**File No:** Tender 07/013  
**Reason for Report:** To report on options available to Council with respect to the tenders for the lease of the Trumper Park Tennis Courts

**Recommendation:**

- A. That, in accordance with Section 10A of the Local Government Act 1993, the Committee resolve into closed session with the press and public excluded to consider the confidential report. These matters are to be considered in closed session in accordance with sub-clauses 2(c) and 2(d)(i) as the report contains commercial information of a confidential nature that would if disclosed confer a commercial advantage on a person with whom the council is conducting, or proposes to conduct, business and would if disclosed prejudice the commercial position of the person who supplied it, and the commercial position of the Council.

**Background:**

Woollahra Council is the appointed Trustee of Crown Reserve No D500267 known as Trumper Park; upon which is located the Trumper Park Tennis Centre. Council as Reserve Trust Manager may grant a lease of the tennis centre subject to obtaining the Minister's consent (S102 of the Act). The tennis centre lease is identified in the Plan of Management for Trumper Park.

The current lessee is the Proprietor of Nazija Holdings Pty Ltd (t/a Palms Tennis Centre) which has held the leasehold interest in the Trumper Park Tennis Centre for the past 20 years. The lease term expired on 31 August 2007, and the lease is now on a monthly holdover basis.

A Request for Tender (RFT) was advertised in the tender section of the Sydney Morning Herald commencing on Tuesday 11 September 2007, and in the Wentworth Courier on Wednesday 12 September 2007. Tenders closed at 2.30pm on 4 October 2007. A total of six tenders was received prior to the closing date and time. One tender was received after the closing time, and in accordance with the terms and conditions of the Tender Invitation this tender cannot be considered.

The tenders received by the closing time are listed in alphabetical order in the following table:

<b>TENDERER</b>
Brian Gaitz Tennis Academy Pty Ltd
Hamptons Tennis Management Pty Ltd
Nazija Holdings Pty Ltd (t/a Palms Tennis Centre)
Paddington Tennis Pty Ltd
Papa a' Pty Ltd
Sports Fusion Australia

The tenders were assessed in accordance with the selection criteria stated in the tender documents.

The results of the tender assessment, the issues which they raise, and options for Council to consider are explained in the attached confidential report. It is recommended that the Committee resolve to consider this report in closed session, as the matters raised have commercial implications for Council and the tenderers.

Warwick Hatton  
Director of Technical Services

**Annexures:**

1. Confidential Report.