

# Corporate & Works Committee Minutes

Monday 5 May 2014

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# Corporate & Works Committee Minutes

**Minutes of the Meeting held on  
Monday 5 May 2014 at 6.00pm**

Present: Councillors Peter Cavanagh (Chair)  
Anthony Boskovitz  
Andrew Petrie  
Elena Wise  
Susan Wynne  
Jeff Zulman

Staff: Stephen Dunshea (Director – Corporate Services)  
Gary James (General Manager)  
Don Johnston (Manager Finance)  
Tom O’Hanlon (Director – Technical Services)  
Kylie Walshe (Director – Community Services)  
Mark Ramsay (Manager – Civil Operations)  
Zubin Marolia (Manager – Property & Projects)

Also in Attendance: Nil

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## **Leave of Absence**

Leave of Absence previously granted by Council: Councillor Deborah Thomas

Apologies: Nil

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## **Late Correspondence**

Late correspondence was submitted to the committee in relation to Items: R3

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## **Declarations of Interest**

Councillor Anthony Boskovitz declared a Significant Non-Pecuniary Interest in relation to Item R2 Provision of Centre Management Service for the New Kiaora Place as a client of his is an employee of one of the tenderers and his fiancé is retained as senior counsel for another of the tenderers. Councillor Boskovitz vacated the meeting and did not participate in consideration of or voting on the matter.

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Note: The Committee considered Items R3 & R4 prior to Item R2

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**Items Decided by this Committee using its Delegated Authority (Items D1 to D2)**

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**Item No:** D1 Delegated to Committee  
**Subject:** **Confirmation of Minutes of Meeting held on 14 April 2014**  
**Author:** Les Windle, Manager – Governance  
**File No:** See Council Minutes  
**Reason for Report:** The Minutes of the Meeting of Monday 14 April 2014 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.

(Wynne/Wise)

**Resolved:**

That the Minutes of the Corporate and Works Committee Meeting of 14 April 2014 be taken as read and confirmed.

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**Item No:** D2 Delegated to Committee  
**Subject:** **Draft Delivery Program 2013 to 2017 and Operational Plan 2014/15 - Including Draft 2014/15 Budget**  
**Author:** Stephen Dunshea - Director Corporate Services  
Michelle Phair – Acting Team Leader Corporate Planning  
**File No:** 1229.G 2013 to 2017  
**Reason for Report:** To present the Draft Delivery Program 2013 to 2017 and Operational Plan 2014/15 for noting prior to consideration by the Strategic & Corporate Committee.

(Wynne/Wise)

**Resolved:**

- A. THAT the Committee note the Urban Planning and Community & Environment Committees' endorsement of the Priorities and Actions proposed for inclusion in the Draft Delivery Program 2013 to 2017 and Operational Plan 2014/15.
- B. THAT the Committee note that the Draft Delivery Program 2013 to 2017 and Operational Plan 2014/15, inclusive of the Draft 2014/15 Budget previously endorsed by the Corporate & Works Committee, will be presented to the Strategic & Corporate Committee on 6 May 2014 with a recommendation that the document be placed on public exhibition for a period of 28 days in accordance with the requirements of Sections 404 and 405 of the *Local Government Act 1993*.

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**Items with Recommendations from this Committee  
Submitted to the Council for Decision (Items R1 to R4)**

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**Item No:** R1 Recommendation to Council  
**Subject:** **Transfer of Woolworths Lands - Kiaora Place Redevelopment Project**  
**Author:** Zubin Marolia, Manager – Property & Projects  
**File No:** 1209.G (Land Classification)  
**Reason for Report:** To recommend to Council to classify the lands being transferred to Council as Operational Land.

(Wynne/Wise)

**Recommendation:**

That Council in accordance with Section 34 of the Local Government Act classify the lands being purchased by Council from Fabcot Pty Ltd and Woolworths Properties, as detailed in this report, as Operational Land.

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**Item No:** R2 Recommendation to Council  
**Subject:** **Provision of Centre Management Services for the New Kiaora Place**  
**Author:** Zubin Marolia, Manager Property & Projects  
**File No:** Tender No 14/02  
**Reason for Report:** To recommend to Council the acceptance of a Tender

**Note:** Councillor Anthony Boskovitz declared a Significant Non-Pecuniary Interest in relation to this Item as a client of his is an employee of one of the tenderers and his fiancé is retained as senior counsel for another of the tenderers. Councillor Boskovitz vacated the meeting and did not participate in consideration of or voting on the matter.

(Wise/Wynne)

**Recommendation:**

- A. That Council enter into an initial 3 year contract, with a 3 year option with Brookfield Johnson Controls for the provision of Centre Management Services for the new Kiaora Place in Double Bay.
- B. That Council accept the tendered management fee of \$207,579 plus GST, for the management of stages 1 and 2 of the development, adjusted annually for CPI.
- C. That successful and unsuccessful tenderers be advised accordingly.

**Item No:** R3 Recommendation to Council  
**Subject:** **Tender for the Collection, Material Recovery Facility (MRF) and Sale of Recyclables**  
**Author:** Manager Civil Operations – Mark Ramsay  
**File No:** File No 14/03  
**Reason for Report:** To recommend to Council the acceptance of a tender

**Note:** Late correspondence was table from Council’s Manager – Civil Operations Mark Ramsay.

(Wynne/Wise)

**Recommendation:**

- A. That Council accept the tender submission offered by URM Environmental Services Pty Ltd for the provision of the collection, Material Recovery Facility (MRF) and sale of recyclables for a term of seven (7) years from the date of commencement, with a three (3) year optional extension period.
- B. That the unsuccessful tenderers are notified of the tender result.

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**Item No:** R4 Recommendation to Council  
**Subject:** **Long Term Financial Plan**  
**Author:** Don Johnston, Chief Financial Officer  
Stephen Dunshea, Director - Corporate Services  
**File No:** 331.G 2014/15  
**Reason for Report:** To brief the Committee on opportunities to improve Council's financial sustainability and to recommend the inclusion in the 2013 to 2017 Delivery Program and 2014/15 Operational Plan information flagging a potential special rate variation application for 2015.

(Wynne/Wise)

**Recommendation:**

- A. THAT Council receive and note the NSW Treasury Corporation (TCorp) Financial Assessment and Sustainability Report – February 2014 for Woollahra Council presented as **Annexure 1**.
- B. THAT details of the TCorp Report be included in Council’s draft Delivery Program 2013 to 2017 and Operational Plan 2014/15, noting in particular the following conclusions from TCorp in respect of the ‘Base Case’ and ‘Sustainability Scenario’ long term financial plan models assessed:
  - i. *“Based on the revised information provided to TCorp for the Base Case scenario, Council is currently assessed as having a FSR [financial sustainability rating] of Moderate. The outlook for Council for the next three years is positive, which means*

*that Council could achieve a FSR of Sound within three years, but based on the LTFP forecasts, it would then be likely that the FSR would revert to Moderate in 2018.*

- ii. *Based on the revised information provided to TCorp for the Sustainability scenario, Council is currently assessed to have a FSR [financial sustainability rating] of Moderate. The outlook for Council is currently positive which means that Council could achieve a FSR of Sound within the next three years and remain sound based on LTFP forecasts.*
- C. THAT the draft Delivery Program 2013 to 2017 and Operational Plan 2014/15 also flag a potential special variation application in 2015 identifying the significant improvement in financial sustainability a successful application would bring with a modest increase in average rates.
- D. THAT the information proposed in Recommendations B and C above for inclusion in the draft Delivery Program and Operational Plan be in the form provided as **Annexure 2**.
- E. THAT further modelling of Council's long term financial plan be undertaken as the sale of two significant strategic asset sales included in the 2014/15 Budget, being Council's current depot site at O'Dea Avenue and the property 9A Cooper Park Road, are finalised, noting that the funds from the sale of 9A Cooper Park Road are to be quarantined in a special reserve until a further report is considered in relation to the allocation of the proceeds.
- F. THAT Council note the finalisation of Council's Sustainability Model long term financial plan and any special rate variation application for 2015 will be subject to community consultation.

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There being no further business the meeting concluded at 7.06pm.

***We certify that the pages numbered 1399 to 1405 inclusive are the Minutes of the Corporate & Works Committee Meeting held on 5 May 2014 and confirmed by the Corporate & Works Committee on 19 May 2014 as correct.***

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**Chairperson**

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**Secretary of Committee**