



The City with Spirit

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the **Annual General Meeting** of the Devonport City Council will be held in the Aberdeen Room, parnaple centre, 137 Rooke Street, Devonport, on Monday, 10 December 2018, commencing at 5:00pm.

The meeting will be open to the public at 5:00pm.

QUALIFIED PERSONS

In accordance with Section 65 of the *Local Government Act 1993*, I confirm that the reports in this agenda contain advice, information and recommendations given by a person who has the qualifications or experience necessary to give such advice, information or recommendation.

Paul West
GENERAL MANAGER

5 December 2018

**AGENDA FOR THE ANNUAL GENERAL MEETING OF DEVONPORT CITY COUNCIL
HELD ON MONDAY 10 DECEMBER 2018 IN THE ABERDEEN ROOM, paranaple centre, 137
ROOKE STREET, DEVONPORT AT 5:00PM**

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Agenda of the Devonport City Council's **Annual General Meeting** to be held in the Aberdeen Room, paranable centre, 137 Rooke Street, Devonport on Monday, 10 December 2018 commencing at 5:00pm.

PRESENT

		Present	Apology
Mayor	Ald A Rockliff		
Deputy Mayor	Ald A Jarman		
	Ald J Alexiou		
	Ald G Enniss		
	Ald P Hollister		
	Ald L Laycock		
	Ald S Milbourne		
	Ald L Murphy		
	Ald L Perry		

IN ATTENDANCE

All persons in attendance are advised that it is Council policy to record Council Meetings, in accordance with Council's Audio Recording Policy. The audio recording of this meeting will be made available to the public on Council's website for a period of six months. Members of the public in attendance at the meeting who do not wish for their words to be recorded and/or published on the website, should contact a relevant Council Officer and advise of their wishes prior to the start of the meeting.

1.0 APOLOGIES

2.0 CONFIRMATION OF MINUTES

2.1 ANNUAL GENERAL MEETING - 30 OCTOBER 2017

RECOMMENDATION

That the minutes of the Annual General Meeting held on 30 October 2017 as circulated be noted.

3.0 RECEIPT OF ANNUAL REPORT

3.1 ANNUAL REPORT 2018

File: 26955 D558007

RELEVANCE TO COUNCIL'S PLANS & POLICIES

Council's Strategic Plan 2009-2030:

- Strategy 5.5.1 Provide financial services to support Council's operations and meet reporting and accountability requirements
- Strategy 5.5.4 Ensure operations meet or better financial targets as set in Strategic and Business Plans

SUMMARY

This report is provided to introduce to Council and the community the Devonport City Council Annual Report for the year ended 30 June 2018.

BACKGROUND

In accordance with Section 72(1) of the *Local Government Act 1993* Council is required to prepare an Annual Report which provides a summary of Council's activities and performance in respect of goals and objectives set for the preceding financial year.

STATUTORY REQUIREMENTS

The requirement for Council to prepare an Annual Report and to conduct an Annual General Meeting is prescribed under the *Local Government Act 1993*.

In accordance with Section 72(2)(d) Council placed advertisements in the Advocate on Saturday, 17 November and Wednesday, 21 November 2018 notifying of the conduct of the Annual General Meeting on Monday, 10 December 2018 and invited submissions from the community on the Annual Report.

DISCUSSION

The Annual Report provides highlights of the Council's achievements throughout the year together with a performance report on activities listed in the 2017/18 Annual Plan.

As required, the Annual Financial Report for the year ended 30 June 2018, together with the Independent Audit Report are included within the Annual Report.

Council was required to invite submissions on the Annual Report and is also required to accept motions from the floor at the Annual General Meeting.

Following the initial print run of the Annual Report omissions were identified on page 94, 107 and 116. These were corrected immediately, however, any person who had collected an early copy of the Annual Report may wish to request a replacement copy.

At the close of submissions on 29 November 2018, Council had received one submission from Mr Douglas Janney. Responses have been provided and are attached.

COMMUNITY ENGAGEMENT

Advertisements were placed in the Advocate Newspaper on Saturday 17 November and Wednesday 21 November 2018 inviting submissions on the Annual Report.

FINANCIAL IMPLICATIONS

There are no financial implications as a result of this report.

RISK IMPLICATIONS

- Legal Compliance
Council has an obligation under Section 72B of the *Local Government Act 1993* to hold their Annual General Meeting no later than 15 December each year. Failure to do so will result in a breach of the Act.

CONCLUSION

The Annual Report provides the details of Council's achievements in relation to the initiatives adopted in the 2017/2018 Annual Plan and the Audited Financial Report of Council for the 2017/18 financial year.

ATTACHMENTS

1. Questions - Annual Report 2018 - Douglas Janney

RECOMMENDATION

That the 2018 Devonport City Council Annual Report be received.

Author:	Paul West
Position:	General Manager

23 Watkinson St
Devonport
ph 6424 3753
29th. November 2018

Mr. P WEST
General Manager
Devonport City Council
Rooke St
Devonport

Annual Financial Report 2018

The Annual Report is short on information hence the following questions.

Workforce Profile

1. What is the Council's:-
 - 1.1. Workforce composition(X indicates a number is requested)?-

Category	Full Time	Part time	Casual	Temporary
Male	X	X	X	X
Female	X	X	X	X
Office	X	X	X	X
Outside	X	X	X	X

- 1.1. Staff turnover percentage? How does this compare to other Tasmanian Councils?
- 1.2. Annual cost of personnel training?

OH & S

2. What is the Council's :-
 - 2.1.1. LTIR?
 - 2.1.2. MTIR?
 - 2.1.3. Absenteeism?
 - 2.1.4. Workers Compensation Claims?
- 3 P24 What is the believed reason for Visitor Information centre numbers down by approx 14%?
- 4 P24 What is the believed reason for the passengers on the Julie Burgess down to approx 23% of 2017?
- 5 P29 Why was not the Local Provisions Schedule in accordance with the Tasmanian Planning Scheme requirements given more priority as an important issue?
- 6 P36 Training Calendar at 80% seems reasonable but why not 100% as it involves employees?
- 7 P48 Note 17 Why is it that property disposals are usually at a loss?
- 8 P71 Note 13 Why has Contractors' services have gone up by 23.16%?

I request that all questions (submitted in accordance with the timing stated in the Notice of the Annual General Meeting in the Advocate) and the answers be available in hard copy form for the attendees at the AGM

Yours faithfully



Douglas Janney



DEVONPORT CITY COUNCIL

ABN: 47 611 446 016

PO Box 604 Devonport TAS 7310 – 137 Rooke Street, Devonport
Telephone 03 6424 0511

Email council@devonport.tas.gov.au Web www.devonport.tas.gov.au

5 December 2018

In reply please quote:

File 26955

Mr Doug Janney
23 Watkinson Street
DEVONPORT TAS 7310

Via Email: djanney39@gmail.com

Dear Mr Janney,

ANNUAL REPORT 2018

I refer to your submission relating to Council's 2018 Annual Report and provide the following responses:

1. What is Council's:-**1.1 Workforce composition?****Response**

Category	Full Time	Part Time	Casual	Temporary
Male	89	7	9	2
Female	34	21	11	1
Office	70	22	20	3
Outside	53	6	0	0

1.2 Staff turnover percentage? How does this compare to other Tasmanian Councils?**Response**

As noted in the Annual Report on page 14, Council's staff turnover percentage for 2017/18 was 12.10%. Staff turnover figures for other Tasmanian Councils are not readily available to Council, however it is noted for example, that the Central Coast Council turnover included in their Annual Report for the same period was 6.54%.

1.3 Annual cost of personnel training?**Response**

In 2017/18 Council spent \$52,000 on personnel training.



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2. What is the Council's:-**2.1.1 LTIR?****2.1.2 MTIR?****2.1.3 Absenteeism?****2.1.4 Workers Compensation Claims?****Response**

The following information is provided, including comparisons to the previous year. Council will endeavour to provide this information as part of the Annual Report in the future.

	2016/17	2017/18
Lost Time Injury Frequency Rate (LTIR)	17.5 hours	26.25 hours
Medical Treatment Injury Frequency Rate	34.9 hours	17.5 hours
Absenteeism (Sick Leave) (average number of days lost per FTE)	10.8 days	10.2 days

Workers Compensation

Policy Year ending 30 June	Number of Workers Compensation Claims lodged with Council's Insurer	Current Open Claims	Gross Value Incurred by the insurer (including estimates)
30/6/2018 *	6 claims	1	7,515.39
30/6/2017 *	7 claims	2	84,325.27
30/6/2016	20 claims	0	141,951.07
30/6/2015	12 claims	0	201,642.85
30/6/2014	8 claims	0	20,368.14
30/6/2013 *	13 claims	1	327,897.14

* Claim/s remaining open year ending 30 June 2018

3. P24 What is the believed reason for Visitor Information Centre numbers down by approx. 14%?**Response**

The Visitor Information Centre numbers are down by 12% for the 2017/18 financial year. The change in visitor behaviour is no doubt due to several factors including anecdotally a move towards mobile technology for access to information.

It is important to note the seasonal opening hours, staffing levels and advertising/marketing of the Visitor Information Centre has remained constant for the past 24 months.

A key initiative undertaken by the Cradle Country Marketing Group (Kentish, Latrobe, Devonport and Central Coast) has been the *Welcome to Cradle Country* brochure. In

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October 2017 the Marketing Group produced the A4 travel guide which includes detailed destination information and a map. The brochure is distributed widely throughout the State, at every airport, on the Spirit of Tasmania and the Port Melbourne Terminal, as well as to operators and visitor centres. This successful initiative may also be a factor in the decrease in numbers.

Additionally, the Tasmanian Visitor Information Network (TVIN) has reported a decrease in Centre attendance throughout the North West/West Region. 2016/2017 total numbers of 370,092 to 2017/2018 of 347,127.

4. P24 What is the believed reason for the passengers on the Julie Burgess down to approx. 23% of 2017?

Response

There are two major contributing factors:

- Due to unscheduled maintenance the 2017/2018 Julie Burgess sailing season did not begin until February 2018, effectively reducing the period by 3 months. The interruption throughout the peak tourism period impacted passenger numbers.
- 2017 was an Australian Wooden Boat Festival (AWBF) year (February) in which the Julie Burgess experienced increased passenger numbers due to sailings to, from and at the AWBF.

5. P29 Why was not the Local Provisions Schedule in accordance with the Tasmanian Planning Scheme requirements given more priority as an important issue?

Response

This action relates to the development of the Local Provisional Schedules (LPS) for the Devonport Municipal Area. The development of LPS is an involved process that was scheduled to take two years. All councils in Tasmania are currently undertaking a similar process.

The State Government have an expectation that councils will submit their draft LPS by June 2019.

6. P36 Training Calendar at 80% seems reasonable but why not 100% as it involves employees?

Response

Council has identified the process for capturing training information and are continuing to educate staff on the process to ensure relevant information is captured and recorded.

7. P48 Note 17 Why is it that property disposals are usually at a loss?

Response

The net loss on the disposal of assets included in Note 17 of the Financial Report includes the following asset types; buildings, culture and heritage, IT equipment, land, office equipment, parks and open space, fleet and plant, roads and stormwater assets.

Proceeds from sales typically arise from land, fleet and plant trade-ins, whereas the majority of the written down value typically relates to roads and stormwater assets

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that have been replaced when they still have some value in the asset registers, however no proceeds from sale are received, for example, if a road is resealed, the previous wearing surface is written off. The loss on disposal is often the result of an asset being replaced because its deteriorating condition warranted its replacement before the end of the useful life it was given for accounting purposes.

8. P71 Note 13 Why has Contractors' services gone up by 23.16%?

Response

Contractors expense increased substantially in 2017/18 as this includes the cost to demolish the former maternity hospital. A grant of \$918K was received from the State Government to cover the cost of the demolition – see Note 7.

Yours sincerely



Paul West
GENERAL MANAGER

3.2 PUBLIC QUESTION TIME

Council at its meeting on 26 March 2018 (Min No 52/18 refers), determined that the Public Question Time at the Annual General Meeting was to be conducted in accordance with its normal Public Question Time Procedures.

Members of the public are invited to ask questions in accordance with Council's Public Question Time Policy (Min No 159/17 refers):

1. Public participation shall take place at Council meetings in accordance with Regulation 31 of the *Local Government (meeting Procedures) Regulations 2015*.
2. Public participation will be the first agenda item following the formal motions: Apologies, Minutes and Declarations of Interest.
3. Questions without notice will be dependent on available time at the meeting (with a period of 30 minutes set aside at each meeting).
4. A member of the public who wishes to ask a question at the meeting is to state their name and address prior to asking their question.
5. A maximum of 2 questions per person are permitted.
6. A maximum period of 3 minutes will be allowed per person.
7. If time permits, a third question may be asked once all community members who wish to ask questions have done so. A time limit of 2 minutes will apply.
8. Questions are to be succinct and not contain lengthy preamble.
9. Questions do not have to be lodged prior to the meeting, however they will preferably be provided in writing.
10. A question by any member of the public and an answer to that question are not to be debated.
11. Questions without notice and their answers will be recorded in the minutes.
12. The Chairperson may take a question on notice in cases where the questions raised at the meeting require further research or clarification, or where a written response is specifically requested.
13. Protection of parliamentary privilege does not apply to local government and any statements or discussion in the Council Chambers, or any document produced, are subject to the laws of defamation.
14. The Chairperson may refuse to accept a question. If the Chairperson refuses to accept a question, the Chairperson is to give reason for doing so in accordance with the Public Question Time Policy.

3.2.1 QUESTIONS/COMMENTS WITHOUT NOTICE FROM THE PUBLIC

4 NOTICES OF MOTION

4.1 COMMERCIAL IN CONFIDENCE CONTRACTS AND AGREEMENTS SENT - NOTICE OF MOTION - MR BOB VELLACOTT

File: 32084 D558002

MOTION

"That those present at this 2018 Annual General meeting request The Mayor and Aldermen to review all current commercial in confidence contracts, agreements and decisions with the intention of releasing and or making available any content and or information that can be reasonably argued should be in the public domain – ie All contracts and agreements between:-

- Projects and Infrastructure Pty Ltd,
- Providore Place Devonport Pty Ltd
- Sale and Purchase of Land
- Consultants
- Architects
- Property leases."

OFFICER'S COMMENTS

Section 72B of the *Local Government Act 1993* provides that a motion can be moved by an elector at the Annual General Meeting. Voting on a motion requires:

- Only electors in the municipal area are entitled to vote at an Annual General Meeting.
- A motion at an Annual General Meeting is passed by a majority of votes taken by a show of hands or by any other means of ascertaining the vote the Council determines.
- A motion passed at an Annual General Meeting is to be considered at the next meeting of the Council.

**MINUTES OF DEVONPORT CITY COUNCIL'S ANNUAL GENERAL MEETING
HELD IN THE COUNCIL CHAMBERS ON MONDAY,
30 OCTOBER 2017 COMMENCING AT 5:30PM**

PRESENT: Ald S L Martin (Mayor)
Ald A L Rockliff (Deputy Mayor)
Ald C D Emmerton
Ald A J Jarman
Ald L M Laycock
Ald J F Matthews
Ald T M Milne
Ald L M Perry

Council Officers:

General Manager, P West
Deputy General Manager, M Atkins
Executive Manager Corporate, Community and Business, S Crawford
Executive Manager Organisational Development, K Peebles
Governance Coordinator, K Hampton

Electors:

Steve Puccetti	Doug Janney	Graham Jones
Jan Willing	Leon Pendrey	Alan Halliwell
Ray Chaplin	Don Willing	John G Bonney
Brian Chandler	Peter Stegmann	Kerry Wescombe
Phillip Milne	John Alexiou	Stacey Sheehan
Kylie Lunson	Maree Brady	Leigh Murphy
Karen Stone	Patrick Johnson	John Stuart
Malcolm Gardam	Bob Vellacott	Luke Riley
Ken Overton	Dane Layton	Kees Kuys
Felicity Sly	Matt Smith	Tim McGee
Brian Imlach	Janine Phillips	Jacci McDougall
Mike Nesham	Claire Jordan	

Other:

Brian May	Karen May	Brooke de Jong
Sally O'Wheel		

Audio Recording:

All persons in attendance were advised that it is Council policy to record Council meetings, in accordance with Council's Audio Recording Policy. The audio recording of this meeting will be made available to the public on Council's website for a minimum period of six months.

6.0 APOLOGIES

The following apology was received for the meeting.

Ald G F Goodwin	Leave of Absence
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7.0 CONFIRMATION OF MINUTES**7.1 ANNUAL GENERAL MEETING - 24 OCTOBER 2016****RESOLUTION**

MOVED: Ald Laycock

SECONDED: Ald Perry

That the minutes of the annual general meeting held on 24 October 2016 as circulated be confirmed.

	For	Against		For	Against
Ald Martin	✓		Ald Matthews	✓	
Ald Emmerton	✓		Ald Milne	✓	
Ald Jarman	✓		Ald Perry	✓	
Ald Laycock	✓		Ald Rockliff	✓	

CARRIED UNANIMOUSLY

8.0 RECEIPT OF ANNUAL REPORT**3.1 ANNUAL REPORT 2017 (D495521)****RESOLUTION**

MOVED: Ald Jarman

SECONDED: Ald Milne

That the 2017 Devonport City Council Annual Report be received and adopted.

	For	Against		For	Against
Ald Martin	✓		Ald Matthews	✓	
Ald Emmerton	✓		Ald Milne	✓	
Ald Jarman	✓		Ald Perry	✓	
Ald Laycock	✓		Ald Rockliff	✓	

CARRIED UNANIMOUSLY

9.0 NOTICES OF MOTION

Nil

10.0 PUBLIC QUESTIONS/COMMENTS**DOUGLAS JANNEY – 23 WATKINSON STREET, DEVONPORT****Operating Expenses**

On page 19 of the Annual Report there is a table Operating Expenses, the last item Internal charges and recoveries. The comment at the bottom of the page says the actual time spent on capital projects by Council staff was 21.62% lower than anticipated. This is allocating staff time to capital works.

Page 21 in the middle of the page under Liquidity position, while cash balances decreased by \$850,000 during the year due to increased capital expenditure the balance remains well in excess of the minimum requirement.

These two comments seem to be at loggerheads. Less people, spending more money.

Q Please explain.

Response

The General Manager advised that in relation to the internal charges, the reduction is in relation to the work undertaken on capital projects. At the beginning of the year Council try to ascertain how much of the capital works will be done internally, with the internal workforce and how much will go out to contract. What is meant by the particular comment in the Annual Report is there is a larger amount of the capital program that went out to contract, but also there was a number of projects which were carried forward and some of those would have impacted on the percentage that has been identified as being lower than what was originally anticipated.

The liquidity position on the other page is directly taking us back to the financial management strategy, talking about the minimum cash that Council has decided that it wishes to maintain and basically although the cash balance has decreased by \$850,000 the total cash at the end of the year was \$16.1M. Therefore we are certainly well within the minimum threshold that Council has set itself.

DON WILLING – 171 WINSPEARS ROAD, EAST DEVONPORT

My question is to the Mayor. We now know that ratepayers paid the company managing the LIVING CITY project \$3.3M to the end of 2016/17 financial year with more to come. In the 2016/17 financial year the payment was almost \$2M alone. When asked if the spike in payments to P+i was paid because it paid contractors, you said "no". The engagement with P+i has required that they carried the payment of some costs not due until project commencement.

Q Would you please explain to the ratepayers the nature of the major parts of these carried forward costs?

Response

The Mayor advised that as part of Council's contract with P+i some of the Stage 1 development fees were not payable until the commencement of Stage 1 works.

PETER STEGMANN – 118 RIVER ROAD, EAST DEVONPORT

I notice that Ald Emmerton mentioned about Council being open and transparent in his speech a moment ago. I hope you can answer this question.

On November 8th 2015 the lead consultant of P+i, Council's non-tendered appointed LIVING CITY Development Manager stated in the Advocate that six hotel groups had already approached him to build on the Harris Scarfe site.

Then on October 17th 2017 almost two years later the Mayor announced that Council had received submissions from both developers and operators as part of the EOI process for the hotel.

Will the Mayor please tell rate payers precisely how many expressions of interest were received from hotel developers and if Council can provide any guarantee that the selected developer will actually build the hotel?

Response

The Mayor advised that there were six expressions of interest received by Council. Council has appointed Fairbrother with exclusive right to develop a team for that development to be built for a two year period.

MALCOLM GARDAM – 4 BEAUMONT DRIVE, MIANDETTA

- Q1** On July 16th 2016 Mr Atkins the Council's Deputy General Manager being responsible for the LIVING CITY project was quoted in *The Advocate* as stating "An announcement was likely in two months about restaurant operators at the four food pavilion sites".

Over a year later, and despite Council having repeatedly named Southern Wild Distillery, Ben Milbourne (restaurant, cooking school and film studio) and 41 Degrees South (since confirmed in *The Advocate* as withdrawn) as the first tenants for the Food Pavilion, Council is still refusing to confirm that any of the above mentioned entities are secured tenants under lease agreements?

Accordingly, would Mr Atkins explain why some 15 months after his statement he is unable to provide this information to ratepayers?

Response

The Deputy General Manager advised that certainly back in July 2016 that was the direction Council was heading, but as you are aware, since that time Council entered into a head-lease for the operation of the Food Pavilion. Council has been very open in the fact that we have an agreement with a company to manage that facility. That's based on minimising Council's exposure and risk and we have a contract with them which allows subletting of tenancies which is their business as we have previously advised.

- Q2** Council has repeatedly told ratepayers that the Food Pavilion and the 800 delegate Conference facility are the two catalysts fundamental to the success of the entire LIVING CITY project.

This being the case will the Deputy General Manager please provide ratepayers with answers to the following:

- a) Why did Council not commission any independent quantitative demand studies for either of these catalysts given they were critical to the success of the LIVING CITY project; and

Response

The Deputy General Manager advised that again the question there has probably taken Council out of context. Stage 1 is being held up as the catalyst for future stages of LIVING CITY not specifically the Conference Centre and the Food Pavilion as you state. That catalyst being that it allows Harris Scarfe, Council and the LINC to move which frees up the land for future development, hence the catalyst aspect. Having said that, yes, Council absolutely believes the Conference Centre, Food Pavilion and the hotel and all those aspects combined are what will deliver the success of LIVING CITY.

- b) What are the Council's forecast numbers of overnight stay delegates who will utilise the conference facility in years 1-3 of operation and where will they stay?

Response

The Deputy General Manager advised that the funding model hasn't changed. Council has been open and transparent with that, its factored in a phased in approach to the Conference Centre from day one. The take up was in the order of 25% of optimum usage in the first year, increasing through to year five. There has been no change in those projections and Council has been quite open with its funding model and transparency with the financing of Stage 1.

In factoring in that there is going to be a slower uptake, that is considering there is only so much accommodation around at the moment. Just like we have seen with the Master's Games we will work with what we have got. In the meantime Council is doing all it can to progress a hotel in Devonport.

GRAHAM JONES – BARCLAY MOTOR INN – 112 NORTH FENTON STREET, DEVONPORT

I would like to move a motion:

MOVED: Graham Jones
SECONDED: Malcolm Gardam

"That Council release the secret, in confidence report used for the financial viability of the new motel".

Mr Jones stated in support of his motion:

I make the motion on the basis that now you have established who is going to operate it, you have all your tenders, I think it is now fair for the existing operators, accommodation owners to have the same information, heads-up and restore it to a level playing field, as in open and transparent.

The motion was debated and put and CARRIED.

FOR: 24
AGAINST: 16

BOB VELLACOTT – 11 COCKER PLACE, DEVONPORT

Mayor, I hereby move:

MOVED: Bob Vellacott
SECONDED: Malcolm Gardam

"That we the electors and ratepayers of Devonport here present at the 2017 Devonport City Council Annual General Meeting move a motion of no confidence in you and the Council with the exception of Alderman Alison Jarman who has been the only Alderman to show any concern."

Mr Vellacott read out the following statement in support of his motion:

This is in relation to the oversight/conduct and administration of the of the LIVING CITY project. The reason for this motion is as follows:

The failure of Council to exercise appropriate levels of duty of care in regards ratepayer consultation, due diligence, risk mitigation and full transparency associated with approving the allocation of \$11 million of ratepayer cash reserves and an additional \$39 million in borrowings for the LIVING CITY project to proceed when none of the private investment Council claimed would be forthcoming materialised and other actions by Council.

Supporting evidence to this assertion is:

1. Council's failure to tender the LIVING CITY project management contract and the appointment of a Company and project director not necessarily the most proven in delivering urban renewal projects of the equivalent size, scale and complexity to that of LIVING CITY.
2. Council's failure to undertake the "comprehensive business case studies" required by consultants Hill PDA to validate their estimates of 830 new CBD on going full-time direct jobs and significantly more indirect jobs and \$112 million of economic output annually despite repeatedly and unambiguously

communicating to ratepayers that these outcomes justified the appropriation of approximately \$50 million in ratepayer cash reserves and additional borrowings for Stage 1 of the LIVING CITY project.

3. Council's failure to ensure ratepayer interests were fully protected by entering a non-tendered confidential 10 year, \$4 million food pavilion head lease with connections of the lead project consultant without Council having any knowledge of the fact that the issued paid up capital of the lessee Company was a minimal \$20,000 (0.5%) of the contract value thereby placing ratepayers at significant risk in the case of default.
4. Council's failure to act in the best interests of ratepayers when presented with a Message to the Aldermen signed by more than 1,500 members of the community expressing concerns at the viability of the LIVING CITY project and the prospect of massively increasing ratepayer indebtedness.

Responses to the actions ratepayers requested of their representatives included:

- Council does not believe that further independent risk management assessment is required.
- Council will not be conducting an elector poll; and
- Council intends to finalise the funding model by borrowing up to an additional \$39 million.

Council then went on to spend, I think it was \$10 million in retaliatory advertising.

Ladies and Gentlemen,

Ratepayers are now fully responsible for the \$39 million loan and are exposed to the real possibility of increased rates and/or reduced services in the future. Instead of being protected they have been let down by Council members who are paid by ratepayers to provide proper and diligent duty of care in their decision making.

Council is on record as stating "The financial risks with LIVING CITY are significant – Council risks enormous reputational damage if the Master Plan is not implemented.

Obviously they the Mayor and Aldermen have no concern for ratepayers just their own reputations and it is for the reasons listed that I have moved this motion of no confidence.

Mayor as this is a motion of no confidence in Council as outlined above it would I suggest be impertinent at this time for you and others who are mentioned in this not to vote on same.

I therefore request the Secretary of the meeting to record same and include all of the above in the minutes of this meeting and the meeting of December 2017.

The motion was debated and put and LOST.

FOR: 16

AGAINST: 24

There being no further business the Mayor declared the meeting closed at 6:37pm.

Confirmed

Chairman

5.0 CLOSURE

There being no further business the Chairman declared the meeting closed at pm.