

# CITY OF JOONDALUP

## MINUTES OF SPECIAL COUNCIL MEETING HELD IN COUNCIL CHAMBER, JOONDALUP CIVIC CENTRE, BOAS AVENUE, JOONDALUP, ON WEDNESDAY, 26 JUNE 2002

### OPEN AND WELCOME

The Mayor declared the meeting open at 1930 hrs.

### ATTENDANCES

#### Mayor

J BOMBAK, JP

#### Elected Members:

Cr P KADAK	Lakeside Ward	
Cr P KIMBER	Lakeside Ward	<i>Absent from 2036 hrs to 2038 hrs.</i>
Cr D CARLOS	Marina Ward	
Cr C BAKER	Marina Ward	<i>Absent from 1931 hrs to 1932 hrs</i>
Cr J F HOLLYWOOD, JP	North Coastal Ward	
Cr A WALKER	Pinnaroo Ward	
Cr P ROWLANDS	Pinnaroo Ward	
Cr T BARNETT	South Ward	
Cr M O'BRIEN, JP	South Ward	
Cr A L PATTERSON	South Coastal Ward	
Cr J HURST	Whitfords Ward	
Cr C MACKINTOSH	Whitfords Ward	

#### Officers:

Chief Executive Officer:	D SMITH
Director, Planning & Community Development:	C HIGHAM
Director, Infrastructure & Operations:	D DJULBIC
Acting Director, Corporate Services and Resource Management:	A SCOTT
Manager, Audit & Executive Services:	K ROBINSON
Manager, Marketing, Communications & Council Support:	M SMITH
Manager, Community Development:	G HALL
Manager Project Policy & Planning:	R HARDY
Publicity Officer:	L BRENNAN
Committee Clerk:	J AUSTIN

**In Attendance**

Mr T Darbyshire, Kott Gunning

There were 4 members of the Public in attendance.

**ATTENDANCES AND APOLOGIES**

Apology: Cr Nixon

**Leave of absence previously approved:**

Cr G Kenworthy 17 June 2002 to 7 July 2002 inclusive

**PUBLIC QUESTION TIME**

(Please Note: Section 7(4)(b) of the Local Government (Administration) Regulations 1996 states that a Council at a special meeting is not required to answer a question that does not relate to the purpose of the meeting. It is requested that only questions that relate to items on the agenda be asked).

*Cr Baker left the Chamber at 1931 hrs and returned at 1932 hrs.*

**Mr R De Gruchy, Sorrento:**

*Q1 I was advised on 26 March 2002 that the bond of \$184,000 is “as good as in the bank” having been paid by cheque and held by the Council’s bond. Does this mean that the funds are available to the City of Joondalup?*

A1 This question will be taken on notice.

*Q2 I was advised on 26 February 2002 that \$1,704 had been received by the City of Joondalup from RANS for rent during the 2001/2002 financial year and also advised that RANS had been invoiced for \$5,123.76. Has this been paid?*

A2 RANS has been invoiced for the amount due under the percentage rent which is due and payable. This has been done up until the time that the Administrator took over from the RANS Management Group. The City also owes money to RANS and under its process of off-setting debt and amounts payable, the City at this point owes more money to RANS Management than is owed by RANS Management to the City. Therefore the amounts that are collectable under the rent are in essence paid.

*Q3 I have been advised that contra-accounting is not acceptable in business, and that any payment which is due should be paid by either party. To off-set one against the other is technically not correct. Is that what has been happening?*

A3 From experience in commerce and local government, it is a practice that is widely adopted and accepted.

Q4 *RANS are also obliged to pay one twelfth of \$130,000, which is \$10,883 on 22 May 2002, and the same amount on 22 June 2002. Have these amounts been paid?*

A4 From the point of time that the Administrators took over, that is a different issue. RANS Management itself has been invoiced for all amounts due including the \$10,000 referred to. The City has not yet received any money from the Administrators, although the Administrators have undertaken to continue under the terms of the lease but have not paid the monies due for the period of the Administration. In relation to future months, invoices have not been submitted.

Q5 *What is the total amount owing to the City of Joondalup by RANS as at today's date?*

Q6 *RANS has indicated it intends to increase fees at the three centres on 1 July 2002. Is this still intended to happen? The contract specifically excludes this from happening. I believe the City should advise RANS that it cannot increase fees.*

A5 & 6 These questions will be taken on notice.

Q7 *There is \$110,000 set aside in the contract to cover the cost of use by juniors at Sorrento/Duncraig and Ocean Ridge, which was to be split into two amounts of \$55,000. Have these amounts been paid to RANS?*

A7 Some of the monies have been paid during the course of the year, some are included in the amount referred to earlier that the City owes RANS Management Group. Those amounts are invoiced periodically. It is understood that the amounts relate to the actual number of people attending and therefore those amounts are invoiced in different amounts and not as one invoice of \$55,000.

Q8 *When is the front door of the Craigie Leisure Centre going to be fixed?*

A8 The new doors are on order. It is intended to replace the doors in the near future, subject to receipt of the new doors.

## **DECLARATIONS OF FINANCIAL INTEREST/INTEREST THAT MAY AFFECT IMPARTIALITY**

Nil

**MOTION TO GO BEHIND CLOSED DOORS**

**MOVED Cr Kimber, SECONDED Cr Kadak that in accordance with Clause 5.6 of the City's Standing Orders, the meeting be held behind closed doors to enable the Council to discuss Item JSC4-06/02 – Confidential Report – RANS Management Group - Revised Options in Response to the Special Council Meeting of 24 June 2002.**

**The Motion was Put and**

**CARRIED**

Members of the public left the Chamber at this point.

**ITEMS OF BUSINESS**

**JSC4-06/02 CONFIDENTIAL REPORT - RANS MANAGEMENT GROUP - REVISED OPTIONS IN RESPONSE TO THE SPECIAL COUNCIL MEETING OF 24 JUNE 2002 - [46492]**

**WARD – All**

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A full report has been provided to Elected Members under separate cover for consideration at the Special Council meeting on 26 June 2002.

**OFFICER'S RECOMMENDATION**

That the Council:

- 1 ACCEPTS the offer from the Administrators of the RANS Management Group to allow the City's Leisure Centres to continue to operate, effective from 12 June 2002 until 31 July 2002, subject to the Council's contribution being to a maximum of \$60,000, for the payment towards staff and operational costs associated with the facilities for the defined period;
- 2 within the period until 31 July 2002, ANALYSES all options regarding the future management arrangements for the Craigie Leisure Centre, Sorrento/Duncraig and Ocean Ridge Community Centre, with these options to include future outsourcing of the facilities and/or staffing from the City's own resources.

Discussion ensued.

*Cr Kimber left the Chamber at 2036 hrs and returned at 2038 hrs.*

**MOTION TO ADJOURN MEETING – [02154] [08122]**

**MOVED Cr Hurst SECONDED Cr Rowlands that in accordance with Clause 5.1 of the City's Standing Orders the meeting be adjourned for a short period, the time being 2048 hrs.**

**The Motion to Adjourn was Put and**

**CARRIED**

The Meeting **RESUMED BEHIND CLOSED DOORS** at 2104 hrs.

**MOVED Cr Patterson SECONDED Cr Rowlands that Council:**

- 1 ACCEPTS the offer from the RANS Administrators dated 25 June 2002 to allow the City's Leisure Centres to continue to operate in accordance with the lease of 15 May 2001 from 12 June 2002 to 31 July 2002 subject to Council's contribution to staff and operational costs associated with the facilities being limited to a maximum of \$60,000 payable in three equal instalments on 28 June 2002, 14 July 2002 and 28 July 2002;**
- 2 within the period until 31 July 2002, ANALYSES all options regarding the future management arrangements for the Craigie Leisure Centre, Sorrento/Duncraig and Ocean Ridge Community Centre, with these options to include future outsourcing of the facilities and/or staffing from the City's own resources;**
- 3 BY AN ABSOLUTE MAJORITY, APPROVES the expenditure in Item 1 above being charged to Budget Item 11 80 82 862 3799 0001;**
- 4 ENGAGES its solicitors, Kott Gunning, to convey the decision of Council to the Administrators.**

Discussion ensued.

**AMENDMENT MOVED Cr Baker SECONDED Cr Kimber that the following words be included at the commencement of Point 1:**

**“Without prejudice to the City's existing rights under the lease, ....”**

Discussion ensued.

**The Amendment was Put and**

**CARRIED (9/4)**

**Voting: In favour of the Amendment:** Mayor Bombak, Crs Mackintosh, Hurst, Patterson, Rowlands, Hollywood, Baker, Kimber, Kadak. **Against the Amendment:** Crs O'Brien, Barnett, Walker, Carlos.

**The Original Motion, as amended, being:**

**That Council:**

- 1 Without prejudice to the City's existing rights under the lease, ACCEPTS the offer from the RANS Administrators dated 25 June 2002 to allow the City's Leisure Centres to continue to operate in accordance with the lease of 15 May 2001 from 12 June 2002 to 31 July 2002 subject to Council's contribution to staff and operational costs associated with the facilities being limited to a maximum of \$60,000 payable in three equal instalments on 28 June 2002, 14 July 2002 and 28 July 2002;**
- 2 within the period until 31 July 2002, ANALYSES all options regarding the future management arrangements for the Craigie Leisure Centre, Sorrento/Duncraig and Ocean Ridge Community Centre, with these options to include future outsourcing of the facilities and/or staffing from the City's own resources;**
- 3 APPROVES the expenditure in Item 1 above being charged to Budget Item 11 80 82 862 3799 0001;**
- 4 ENGAGES its solicitors, Kott Gunning, to convey the decision of Council to the Administrators.**

**Was Put and**

**CARRIED BY AN  
ABSOLUTE MAJORITY (11/2)**

**Voting: In favour of the Amendment:** Mayor Bombak, Crs Mackintosh, Hurst, Patterson, Rowlands, Hollywood, Baker, Kimber, Kadak, Barnett, Walker. **Against the Amendment:** Crs O'Brien, Carlos.

### **RESUMPTION OF STANDING ORDERS**

**MOVED Cr Kadak, SECONDED Cr Kimber that Standing Orders be RESUMED and the meeting be held with the doors open, the time being 2144 hrs.**

**The Motion was Put and**

**CARRIED**

Members of the public entered the Chamber at this point. In accordance with the City's Standing Orders Local Law, the Chief Executive Officer read the Motion in relation Confidential Report – RANS Management Group - Revised Options in Response to the Special Council Meeting of 24 June 2002.

## **CLOSURE**

There being no further business, the Mayor declared the Meeting closed at 2148 hrs; the following elected members being present at that time:

J BOMBAK, JP  
P KADAK  
P KIMBER  
D CARLOS  
C BAKER  
J F HOLLYWOOD, JP  
A WALKER  
ROWLANDS  
T BARNETT  
M O'BRIEN, JP  
A PATTERSON  
J HURST  
C MACKINTOSH