

minutes

Special Meeting of Council

MEETING HELD ON **TUESDAY, 2 JULY 2013**

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CITY OF JOONDALUP

SPECIAL COUNCIL MEETING HELD IN THE COUNCIL CHAMBER, JOONDALUP CIVIC CENTRE, BOAS AVENUE, JOONDALUP ON TUESDAY, 2 JULY 2013.

DECLARATION OF OPENING

The Mayor declared the meeting open at 7.02pm.

ANNOUNCEMENT OF VISITORS

Mayor:

TROY PICKARD

Councillors:

CR TOM McLEAN, JP	North Ward
CR SAM THOMAS	North-Central Ward
CR PHILIPPA TAYLOR	North-Central Ward
CR GEOFF AMPHLETT, JP	Central Ward
CR MIKE NORMAN	South-West Ward – <i>Deputy Mayor</i>
CR CHRISTINE HAMILTON-PRIME	South-West Ward
CR BRIAN CORR	South-East Ward
CR JOHN CHESTER	South-East Ward
CR TERESA RITCHIE	South Ward
CR RUSS FISHWICK, JP	South Ward

Officers:

MR GARRY HUNT	Chief Executive Officer
MR MIKE TIDY	Director Corporate Services
MR JAMIE PARRY	Director Governance and Strategy
MS DALE PAGE	Director Planning and Community Development
MR NICO CLAASSEN	Director Infrastructure Services
MR BRAD SILLENCE	Manager Governance
MR BLIGNAULT OLIVIER	Manager City Projects
MR DANIEL DAVINI	Media Advisor <i>Absent from 7.08pm to 7.33pm</i>
MR JOHN BYRNE	Governance Coordinator
MRS GENEVIEVE HUNTER	Executive Projects Officer
MRS LESLEY TAYLOR	Governance Officer

Guests:

MR SIMON MOEN	Legal Advisor, Jackson McDonald
MR JASON WILLOUGHBY	Development Advisor, Willoughby Property Group
MR GARY GLIDDON	Probity Advisor, Braxford Consultancy

There were two members of the public and one member of the press in attendance.

PUBLIC QUESTION TIME

Nil.

PUBLIC STATEMENT TIME

Nil.

APOLOGIES AND LEAVE OF ABSENCE**Apologies**

Cr Kerry Hollywood.

Leave of Absence previously approved

Cr Liam Gobbert 1 July to 8 July 2013 inclusive.
Cr Teresa Ritchie 12 to 16 August 2013 inclusive.

C38-07/13 REQUEST FOR LEAVE OF ABSENCE – CR JOHN CHESTER - [102280]

Cr John Chester requested Leave of Absence from Council duties covering the period 24 July to 30 July 2013 inclusive.

MOVED Cr Amphlett, SECONDED Cr Thomas that Council APPROVES the request from Cr John Chester for Leave of Absence from Council duties covering the period 24 – 30 July 2013.

The Motion was Put and

CARRIED (11/0)

In favour of the Motion: Mayor Pickard, Crs Amphlett, Chester, Corr, Fishwick, Hamilton-Prime, McLean, Norman, Ritchie, Taylor and Thomas.

DECLARATIONS OF INTEREST**Disclosure of Financial Interest/Proximity Interest**

Nil.

Disclosures of interest affecting impartiality

Elected Members (in accordance with Regulation 11 of the *Local Government [Rules of Conduct] Regulations 2007*) and employees (in accordance with the Code of Conduct) are required to declare any interest that may affect their impartiality in considering a matter. This declaration does not restrict any right to participate in or be present during the decision-making process. The Elected Member/employee is also encouraged to disclose the nature of the interest.

Name/Position	Mayor Troy Pickard.
Item No./Subject	JSC03-07/13 – Confidential – Joondalup City Centre Commercial Office Development – Expression of Interest: Commercial/Office Development on City Owned Property.
Nature of interest	Interest that may affect impartiality.
Extent of Interest	Hassell are the architects for the construction of ONE70, a Western Australian Local Government Association (WALGA) project I am overseeing in my capacity as president.

Name/Position	Cr Tom McLean, JP.
Item No./Subject	JSC03-07/13 – Confidential – Joondalup City Centre Commercial Office Development – Expression of Interest: Commercial/Office Development on City Owned Property.
Nature of interest	Interest that may affect impartiality.
Extent of Interest	The Construction Manager of Probuild (Devwest) is a personal friend.

Name/Position	Mr Garry Hunt, Chief Executive Officer.
Item No./Subject	JSC03-07/13 – Confidential – Joondalup City Centre Commercial Office Development – Expression of Interest: Commercial/Office Development on City Owned Property.
Nature of interest	Interest that may affect impartiality.
Extent of Interest	Some of the companies that have submitted in the Expression of Interest (EOI) are known to the Chief Executive Officer from previous City business – DORIC (Builders), Hassell (Architects), Clayton Utz (Lawyers), TPG (Planners), Wood and Grieve (Engineers), Squire Sanders (Lawyers) and Jones Coulter Young (Architects).

Name/Position	Ms Dale Page, Director Planning and Community Development.
Item No./Subject	JSC03-07/13 – Confidential – Joondalup City Centre Commercial Office Development – Expression of Interest: Commercial/Office Development on City Owned Property.
Nature of interest	Interest that may affect impartiality.
Extent of Interest	Ms Page's brother works for Probuild – part of the Devwest proposal.

IDENTIFICATION OF MATTERS FOR WHICH THE MEETING MAY SIT BEHIND CLOSED DOORS

JSC03-07/13 Confidential – Joondalup City Centre Commercial Office Development – Expression of Interest: Commercial/Office Development on City Owned Property.

C39-07/13 MOTION TO GO BEHIND CLOSED DOORS – [02154, 08122]

MOVED Cr Hamilton Prime, **SECONDED** Cr Norman that Council:

1 in accordance with Sections 5.23(2)(c) and 5.23(2)(e)(ii) of the *Local Government Act 1995* and Clause 67 of the City's *Standing Orders Local Law 2005*, **RESOLVES** to close the meeting to members of the public to consider the following item:

1.1 Confidential – Joondalup City Centre Commercial Office Development – Expression of Interest: Commercial/Office Development on City Owned Property;

2 **PERMITS** the following employees and other persons to remain in the Chamber during discussion on Item JSC03-07/13 while the meeting is sitting behind closed doors as detailed in Part 1 above:

- Chief Executive Officer, Mr Garry Hunt;
- Director Corporate Services, Mr Mike Tidy;
- Director Governance and Strategy, Mr Jamie Parry;
- Director Planning and Community Development, Ms Dale Page;
- Director Infrastructure Services, Mr Nico Claassen;
- Manager Governance, Mr Brad Sillence;
- Manager City Projects, Mr Blignault Olivier;
- Governance Coordinator, Mr John Byrne;
- Executive Projects Officer, Mrs Genevieve Hunter;
- Governance Officer, Mrs Lesley Taylor;
- Legal Advisor Mr Simon Moen, Jackson McDonald;
- Development Advisor Mr Jason Willoughby, Willoughby Property Group;
- Probity Advisor Mr Gary Gliddon, Braxford Consultancy.

The Motion was Put and

CARRIED (11/0)

In favour of the Motion: Mayor Pickard, Crs Amphlett, Chester, Corr, Fishwick, Hamilton-Prime, McLean, Norman, Ritchie, Taylor and Thomas.

Members of the staff (with the exception of the Chief Executive Officer, Director Corporate Services, Director Governance and Strategy, Director Planning and Community Development, Director Infrastructure Services, Manager Governance, Manager City Projects, Governance Coordinator, Executive Projects Officer, Governance Officer and other persons) and members of the public and press left the Chambers at this point; the time being 7.08pm.

REPORTS**Disclosures of interest affecting impartiality**

Name/Position	Mayor Troy Pickard.
Item No./Subject	JSC03-07/13 – Confidential – Joondalup City Centre Commercial Office Development – Expression of Interest: Commercial/Office Development on City Owned Property.
Nature of interest	Interest that may affect impartiality.
Extent of Interest	Hassell are the architects for the construction of ONE70, a Western Australian Local Government Association (WALGA) project I am overseeing in my capacity as president.

Name/Position	Cr Tom McLean, JP.
Item No./Subject	JSC03-07/13 – Confidential – Joondalup City Centre Commercial Office Development – Expression of Interest: Commercial/Office Development on City Owned Property.
Nature of interest	Interest that may affect impartiality.
Extent of Interest	The Construction Manager of Probuild (Devwest) is a personal friend.

Name/Position	Mr Garry Hunt, Chief Executive Officer.
Item No./Subject	JSC03-07/13 – Confidential – Joondalup City Centre Commercial Office Development – Expression of Interest: Commercial/Office Development on City Owned Property.
Nature of interest	Interest that may affect impartiality.
Extent of Interest	Some of the companies that have submitted in the Expression of Interest (EOI) are known to the Chief Executive Officer from previous City business – DORIC (Builders), Hassell (Architects), Clayton Utz (Lawyers), TPG (Planners), Wood and Grieve (Engineers), Squire Sanders (Lawyers) and Jones Coulter Young (Architects).

Name/Position	Ms Dale Page, Director Planning and Community Development.
Item No./Subject	JSC03-07/13 – Confidential – Joondalup City Centre Commercial Office Development – Expression of Interest: Commercial/Office Development on City Owned Property.
Nature of interest	Interest that may affect impartiality.
Extent of Interest	Ms Page's brother works for Probuild – part of the Devwest proposal.

**JSC03-07/13 CONFIDENTIAL – JOONDALUP CITY CENTRE
COMMERCIAL OFFICE DEVELOPMENT -
EXPRESSION OF INTEREST: COMMERCIAL/OFFICE
DEVELOPMENT ON CITY OWNED PROPERTY**

WARD	North
RESPONSIBLE DIRECTOR	Mr Mike Tidy Corporate Services
FILE NUMBER	103036, 101515
ATTACHMENTS	<p>Attachment 1 Expression of Interest: Commercial/Office Development on City owned Property</p> <p>Attachment 2 Evaluation Plan</p> <p>Attachment 3 Summary of the outcome of the evaluation process</p> <p>Attachment 4 Summary technical advice – Willoughby Property Group</p> <p>Attachment 5 Summary of technical advice – Jackson McDonald</p> <p>Attachment 6 Submission – Seven Capital (Perth) Pty Ltd</p> <p>Attachment 7 Submission – Georgiou Group Pty Ltd / Investec Bank (Australia) Limited</p> <p>Attachment 8 Submission – Devwest Group Pty Ltd</p> <p>Attachment 9 Additional information requested from respondents</p> <p>Attachment 10 Information provided by Seven Capital (Perth) Pty Ltd</p> <p>Attachment 11 Information provided by Devwest Group Pty Ltd</p> <p>Attachment 12 Information provided by Georgiou Group Pty Ltd / Investec Bank (Australia) Ltd</p> <p>Attachment 13 Comments provided by Jason Willoughby – Development Advisor</p> <p>Attachment 14 Comments provided by Jackson McDonald – Legal Advisor</p> <p>Attachment 15 Legal advice from Jackson McDonald regarding the Build Own Transfer model</p> <p>Attachment 16 Assessment of the financial information provided by Devwest Group Pty Ltd</p> <p><i>(Please note: Attachments 6 – 8 and the financial information associated with Attachments 10 – 12 are only available electronically.)</i></p>
AUTHORITY / DISCRETION	Executive - The substantial direction setting and oversight role of Council, such as adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.

This report is confidential in accordance with sections 5.23(2)(c) and 5.23(2)(e)(ii) of the *Local Government Act 1995*, which also permits the meeting to be closed to the public for business relating to the following:

- *A contract entered into, or which may be entered into, by the local government and which relates to a matter to be discussed at the meeting;*
- *A matter that if disclosed would reveal information that has a commercial value to a person.*

A full report was provided to Elected Members under separate cover. The report is not for publication.

MOVED Mayor Pickard, SECONDED Cr McLean that Council:

- 1 NOTES the information provided by respondents contained within Attachments 10 – 12 to Report JSC03-07/13;**
- 2 NOTES the comments provided by the Development Advisor and the Legal Advisor in the additional information provided by respondents contained within Attachments 13 – 16 to Report JSC03-07/13;**
- 3 Considers the information provided by respondents and the comments provided by the Development Advisor and the Legal Advisor, contained within Attachments 10 - 16 to Report JSC03-07/13, and DETERMINES that Seven Capital (Perth) Pty Ltd is the preferred respondent for the development of Lot 507 Boas Avenue, Joondalup and/or Lot 496 Davidson Terrace, Joondalup;**
- 4 REQUESTS the Chief Executive Officer to seek agreement from the preferred respondent to the City's Expression of Interest process to work with the City to prepare a proposal to be submitted as part of the State Government's request for Expression of Interest for State Government Office Accommodation in Joondalup;**
- 5 REQUESTS the Chief Executive Officer to undertake further due diligence and negotiations with the preferred respondent to identify a potential corporate anchor tenant for the development of Lot 507 Boas Avenue, Joondalup and/or Lot 496 Davidson Terrace, Joondalup.**

AMENDMENT MOVED Mayor Pickard, SECONDED Cr Hamilton-Prime that a new Part 6 be added to read:

“6 REQUESTS the Chief Executive Officer to progress the Memorandum of Understanding in accordance with the advertised Expressions of Interest document.”.

The Amendment was Put and

CARRIED (11/0)

In favour of the Amendment: Mayor Pickard, Crs Amphlett, Chester, Corr, Fishwick, Hamilton-Prime, McLean, Norman, Ritchie, Taylor and Thomas.

The Original Motion as amended, being:

That Council:

- 1 **NOTES** the information provided by respondents contained within Attachments 10 – 12 to Report JSC03-07/13;
- 2 **NOTES** the comments provided by the Development Advisor and the Legal Advisor in the additional information provided by respondents contained within Attachments 13 – 16 to Report JSC03-07/13;
- 3 **Considers** the information provided by respondents and the comments provided by the Development Advisor and the Legal Advisor, contained within Attachments 10 - 16 to Report JSC03-07/13, and **DETERMINES** that Seven Capital (Perth) Pty Ltd is the preferred respondent for the development of Lot 507 Boas Avenue, Joondalup and/or Lot 496 Davidson Terrace, Joondalup;
- 4 **REQUESTS** the Chief Executive Officer to seek agreement from the preferred respondent to the City's Expression of Interest process to work with the City to prepare a proposal to be submitted as part of the State Government's request for Expression of Interest for State Government Office Accommodation in Joondalup;
- 5 **REQUESTS** the Chief Executive Officer to undertake further due diligence and negotiations with the preferred respondent to identify a potential corporate anchor tenant for the development of Lot 507 Boas Avenue, Joondalup and/or Lot 496 Davidson Terrace, Joondalup;
- 6 **REQUESTS** the Chief Executive Officer to progress the Memorandum of Understanding in accordance with the advertised Expressions of Interest document.

Was Put and

CARRIED (11/0)

In favour of the Motion: Mayor Pickard, Crs Amphlett, Chester, Corr, Fishwick, Hamilton-Prime, McLean, Norman, Ritchie, Taylor and Thomas.

C40-07/13 MOTION TO GO TO OPEN DOORS – [02154, 08122]

MOVED Cr Amphlett, **SECONDED** Cr Norman that Council in accordance with Clause 67(4) of the City's *Standing Orders Local Law 2005*, **RESOLVES** the meeting be now held with Open Doors.

The Motion was Put and

CARRIED (11/0)

In favour of the Motion: Mayor Pickard, Crs Amphlett, Chester, Corr, Fishwick, Hamilton-Prime, McLean, Norman, Ritchie, Taylor and Thomas.

The doors opened at 7.33pm, with members of the staff and press returning to the Chamber at this point.

There were two members of the public present.

In accordance with the City's *Standing Orders Local Law 2005*, Mayor Pickard read aloud the motion in relation to:

JSC03-07/13 Confidential – Joondalup City Centre Commercial Office Development – Expression of Interest: Commercial/Office Development on City Owned Property.

CLOSURE

There being no further business, the Mayor declared the Meeting closed at 7.34pm; the following Elected Members being present at that time:

MAYOR TROY PICKARD
CR TOM McLEAN, JP
CR PHILIPPA TAYLOR
CR SAM THOMAS
CR GEOFF AMPHLETT, JP
CR MIKE NORMAN
CR CHRISTINE HAMILTON-PRIME
CR JOHN CHESTER
CR BRIAN CORR
CR RUSS FISHWICK, JP
CR TERESA RITCHIE