

28th May, 2004

EXTRAORDINARY COUNCIL MEETING

NOTICE IS HEREBY GIVEN THAT AN EXTRAORDINARY COUNCIL MEETING OF THE COUNCIL OF THE CITY OF RANDWICK WILL BE HELD IN THE COUNCIL CHAMBER, TOWN HALL, 90 AVOCA STREET, RANDWICK ON TUESDAY, 1ST JUNE, 2004 AT 6:00 P.M.

- 1 Apologies**
- 2 Addresses to the Council by the Public**
- 3 Mayoral Minutes**
- 4 General Manager's Report**
- 4.1 GENERAL MANAGER'S REPORT 13/2004 - DRAFT 2
MANAGEMENT PLAN 2004-07.
- 5 Director Assets & Infrastructure Services' Report**
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26/2004 - KIOSK GOLDSTEIN RESERVE, COOGEE BEACH –
TENDER.
- 6 Motions Pursuant to Notice**
- 7 Confidential Reports**
- 8 Committee-of-the-Whole**
- 9 Report of the Committee-of-the-Whole**
- 10 Notice of Rescission Motions**

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GENERAL MANAGER



GENERAL MANAGER'S REPORT 13/2004

SUBJECT:	DRAFT MANAGEMENT PLAN 2004-07
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DATE:	28 May, 2004	FILE NO:	98/S/0555
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REPORT BY: GENERAL MANAGER

INTRODUCTION:

At the Ordinary Council Meeting on 27 April 2004, it was resolved that the Draft Management Plan be placed on public exhibition from 28 April to 26 May 2004. An advertisement was placed in the Mayoral column of the Southern Courier on 27 April and 4 May 2004 providing details of the public exhibition and inviting the public to make submissions.

Copies of the notice were also placed at the three libraries, the Customer Service Centre and on Council's web site. The notice advised the community that Council intended to apply to the Minister for a 6% increase in general revenue.

ISSUES:

Submissions

Five submissions were received of which three were from members of the public and two were from Councillors.

Submissions 1, 2 and 3. (Attachment 4).

The submissions which were received from Roger Verkerk and John Smart were in support of the special levy and the environmental programs that it would fund. Dr. Smart's comments regarding the focus of the program will be taken into consideration in prioritising and finalising the programs.

S Tesoriero submitted that a Gross Pollutant Trap should be installed at Malabar Beach. This will be taken into consideration when the priority list of sites for GPTs is prepared.

Recommended Response: Based on the positive feedback, the request for the special variation to general revenue to fund an environmental program will be submitted to the Department of Local Government and the comments in the submissions will be taken into consideration when finalising the program.

Submission 4 – (Attachment 5).

Councillor Matson submitted a plan to re-allocate \$1.065m from the 2004/05 Capital Works, the projected surplus and other operational expenses to the maintenance of depreciating assets. This submission was also outlined in an item in the Southern Courier of the 4 May 2004 with a request for feedback.

In addition to this submission Councillor Matson, through a Mayoral Minute on 27 April 2004, initiated the establishment of a new Precinct Coordination Committee and at the Council Meeting on 25 May 2004 Council resolved to establish and fund this Committee. A further resolution at the same meeting related to the support for the re-establishment of the Clovelly Precinct Committee. The funding required to implement these two resolutions is \$10,000. Therefore this \$10,000 should be reallocated from the operational surplus to the Communications budget.

Recommended Response: The draft budgets for these projects and operational areas as detailed in the submission are reduced and the \$1,055,000 is reallocated to the maintenance of assets and \$10,000 to the Communications budget.

Submission 5 – (Attachment 5).

Councillor Andrews submitted that \$450,000 be allocated for road widening of Galvin St Maroubra between Mulgray Avenue and Cooper Street.

As widening a street would be classified as increasing the capital capacity of an existing road asset, this does not fit within the proposed direction of reallocating funds to maintain existing depreciating assets.

Recommended Response: This project will not be included in the 2004/05 Capital Works Program.

Permissible Rate Increase (Attachment 7)

Since the Draft Management Plan was adopted on 27 April 2004, the Minister for Local Government announced that the permissible rate increase is 3.5%. The Draft Budget was based on a 2.5% permissible increase. The additional 1% increase in rates will raise an additional \$445,000 in revenue.

Recommended Response: It is proposed to allocate \$445,000 to the maintenance of depreciating assets.

Maintenance of Depreciating Assets

Based on the recommended response to the submissions and the increase in the permissible rate increase it is proposed to reallocate \$1.5 million to the following programmed areas.

ASSET MAINTENANCE	ADDITIONAL BUDGET
Repair and maintain existing Footpaths	\$300,000
Repair and maintain existing Kerb & Guttering	\$200,000
Heavy patching, resurface & rehabilitate existing roads	\$300,000
Reline and rehabilitate existing Drainage	\$300,000
Rebuild retaining walls	\$150,000

Parks	\$250,000
TOTAL	\$1,500,000

Recommended Response: An amount of \$1,500,000 is reallocated to the nominated asset maintenance programs.

Draft Schedule of Fees and Charges – (Attachment 2).

Staff have identified several proposed changes to the Fees and Charges.

- a) Sporting Facility Buildings. Page 12. In order to maintain control over key access it is intended to charge a refundable key deposit for all users who have key access to the sporting facility buildings. The proposed charge is \$110.00 (GST exempt) per key issued.
- b) Quotation Documentation. Page 64 – Item 2. It is intended to impose a charge for the sale of quotation documentation when issued to selective suppliers. The proposed charge is \$165.00 (incl GST).
- c) S611. Page 3. The full bench of the High Court of Australia has recently ruled that charging telecommunications companies for the rental of public land, discriminates against the carriers. Unless the laws are changed regarding telecommunication companies, a charge against these types of companies cannot be raised or enforced. Therefore it is necessary to remove reference to telecommunications companies.

Recommended Response: The Draft Schedule of Fees and Charges will be amended to allow for the changes described above.

Other Budget Issues

There has been considerable discussion as opportunities for Council to raise additional revenue as a means of addressing the shortfall in asset maintenance. At the Council Meeting on 27 April 2004 Council resolved that:

A report be submitted to Council, in conjunction with the further report on the budget in June 2004, following the submissions by the public, detailing options for expanding the residents' preferred parking schemes throughout the City and the options for a general increase in parking meters, revenue arising from those meters, and any subsequent decisions which might arise for the employment of further staff, such as Rangers.

The report, included as Attachment 8, deals specifically with this resolution, and is attached for the Councillors' information

Recommended Response: The report in Attachment 8 be received and noted

Proposed Special Variation to Fund Environmental Program

The proposed levy and the programs to be funded were described in the Draft Management Plan that was placed on public exhibition.

The rationale for the application is based on Randwick City Council's dual responsibilities as both the custodian of environmental significant areas (marine and terrestrial) and as the custodian and trustee of public assets including roads, footpaths, stormwater, drainage, ocean pools, open space and parks.

Randwick City, which is only 5 kilometres from the centre of Sydney, includes significant areas of open space and 25 kilometres of coastline with eight beaches and rocky headlands. It is home to over 500 species of indigenous plants, 250 species of terrestrial native vertebrate animals and 350 species of native marine fauna. The significant areas of open space and coastal facilities are accessed and enjoyed by many millions of visitors each year. Randwick Council has a clear responsibility to both its residents and all the Australian people to maintain, protect and restore the biodiversity that is in its care.

However Randwick faces a unique set of challenges with its ageing infrastructure and inadequate revenue base. Faced with a large shortfall in maintenance funding, Council has over a number of years reprioritised its budgets to provide increased maintenance and capital funding. For example, the expenditure on road maintenance and pavement rehabilitation has increased from \$802,000 in 1998/99 to \$4,733,000 in 2003/04. The expenditure on maintenance will increase even further due to strategies proposed by the current Council.

The increased expenditure on maintenance has limited the funds available for other programs and one significant area where increased expenditure is required is in relation to environmental programs and activities. Funds are required to maintain the biodiversity, reduce , further develop the coastal walkway, implement the community component of various State and Federal Government strategies and plans, foster and introduce energy saving and water use reduction strategies, rehabilitate contaminated landfill sites, increase recycling, achieve a cleaner city and reduce environment risks.

If Council is given the approval for this special variation to rates that it is seeking, our residents, those of the greater Sydney and all visitors to the City will experience significant benefits to their quality of life as well as supporting the sustainability of our environment.

CONCLUSION:

The submissions received on the Management Plan have been considered and the appropriate recommendations have been made.

The Minister for Local Government has already advised that the permissible increase in General Income is 3.5%. The Draft Budget and Draft Management Plan are based on a total increase of 8.5% and assumes the continuation of the previously approved 4.6% special rate variation.

It is proposed to increase rates to the permissible level of 3.5% and apply to the Minister for an additional 6% special variation for an environmental levy for a period of five years.

It is proposed to adopt an increase of 9.5%, and reallocate \$1,500,000 of funding to the maintenance of depreciating assets and \$10,000 to Communication for the precinct committee program.

As a result of two recent Council resolutions a recommendation has been made to provide additional funding of \$10,000 for the Communications budget.

RECOMMENDATIONS:

1. That an application be made to the Minister for Local Government for:
 - a. Continuation of the 2001/2002 special variation amounting to \$1,811,000 in 2004/2005 on a permanent basis; and
 - b. A further special variation (in addition to the 3.5% approved increase) to raise \$2,100,000 per year for a five year period for an environmental levy.
2. That the Draft Schedule of Fees and Charges be amended to allow for Sporting Facilities Buildings Key Deposit of \$110.00.
3. That the Draft Schedule of Fees and Charges be amended to allow for Sale of Quotation Documentation to Selective Suppliers of \$165.00.
4. That the Draft Schedule of Fees and Charges be amended to remove reference to charging telecommunications companies.
5. That the Draft Schedule of Fees & Charges and the Draft Confidential Fees & Charges, as amended, be adopted for 2004/05.
6. That the amount of \$1,055,000 is reallocated, as detailed, to asset maintenance, and the Draft 2004/05 Budget be amended.
7. That the amount of \$10,000 is reallocated, as detailed, to Communications, and the Draft 2004/05 Budget be amended.
8. That the increase in general income of \$445,000 is allocated, as detailed, to the maintenance of depreciating assets, and the Draft 2004/05 Budget be amended.
9. That the Draft 2004/05 Budget as amended, be adopted as the Budget for 2004/05, and that funds are voted accordingly.
10. A report listing project details of the additional funding of \$1,500,000 to asset maintenance be prepared and submitted to the next Council meeting. The report to include any carry over projects from 2003/04.
11. That the interest rate on overdue rates be calculated at 9.0% per annum, and charges daily, in accordance with the determination under s566(3) of the Local Government Act 1993, by the Minister for Local Government.
12. That the Draft Management Plan 2004/07 as amended, be adopted as the Management Plan for 2004/07 under s406 (1) of the Local Government Act 1993.
13. That the Ordinary Residential Rate be made and levied by Council for 2004/05, under s494 and s498 (1)(a) and (2) of the Local Government Act 1993, as a rate of 0.2107 cents in the dollar on the land value of all rateable land within the City of Randwick being Residential land.
14. That the Ordinary Business Rate be made and levied by Council for 2004/05, under s494 and s498 (1)(a) and (2) of the Local Government Act 1993, as a rate of 0.82161 cents in the dollar on the land value of all rateable land within the City of Randwick being Business land.
15. That the minimum ordinary Residential rate be made and levied in 2004/05 under s548 (1) (a), (2), (4) & (5) of the Local Government Act 1993, as \$493.70.
16. That the minimum ordinary Business rate be made and levied in 2004/05 under s548 (1)(a), (2), (4) & (5) of the Local Government Act 1993, as \$795.50
17. That the contents of the report in relation to On-Street Parking in Randwick City contained in Attachment 8 be received and noted.
18. That when the Minister has responded to Council's request for the 6% special variation, a report be prepared (including any revised rating structure) and submitted to Council if necessary

ATTACHMENT/S:

1. 2004-07 Draft Management Plan, under separate cover
2. 2004-05 Draft Fees and Charges, under separate cover
3. 2004-05 Draft Confidential Fees and Charges, under separate cover
4. Submissions 1-3 regarding the Environmental Levy, under separate cover
5. Submission 4 from Councillor Matson, and Submission 5 from Councillor Andrews, under separate cover
6. Department of Local Government Circular 04/18 – Maximum Interest Rate 2004/05.
7. Department of Local Government Circular 04/19 – Variation of general Income for 2004-05.
8. On Street Parking In Randwick City, under separate cover

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GENERAL MANAGER

Attachment 6

Circular No. 04/18
Date 03/05/2004
File No. FF96/0253, FF96/0231

Contact Deb Bose
02 4428 4133
deb.bose@dlg.nsw.gov.au

**INFORMATION ABOUT RATING FOR 2004/05 - MAXIMUM
INTEREST RATE AND SECTION 603 CERTIFICATES****MAXIMUM INTEREST RATE SPECIFIED FOR 2004/2005**

In accordance with section 566(3) of the Local Government Act 1993, the Minister for Local Government has determined that the maximum rate of interest payable on overdue rates and charges for the 2004/2005 rating year will be **9.0%**.

A notice giving effect to this decision was published in the Government Gazette No. 70 of 8th April 2004.

FEE FOR SECTION 603 CERTIFICATE

In accordance with the definition of an approved fee in the Dictionary to the Local Government Act 1993, I have determined that the fee for a Section 603 Certificate for 2004/2005 is **\$50.00**.

The determination applies to the issuing of a certificate of the matters specified in section 603(3) of the Act. Where a council offers to provide other information as an optional service the council is not prevented from separately determining an approved fee for that additional service. Furthermore, a council is not prevented from determining approved fees for additional services required by an applicant for the expedited processing of a Section 603 Certificate.

Garry Payne
Director General

Department of Local Government
5 O'Keefe Avenue NOWRA NSW 2541
Locked Bag 3015 NOWRA NSW 2541
T 02 4428 4100 F 02 4428 4199 TTY 02 4428 4209
E dlg@dlg.nsw.gov.au W www.dlg.nsw.gov.au ABN 99 567 863 195

Attachment 7

Circular No. 04/19
Date 06/05/2004
File No. FF97/0229

Contact Deb Bose
02 4428 4133
deb.bose@dlg.nsw.gov.au

VARIATION OF GENERAL INCOME FOR 2004/2005**VARIATION OF GENERAL INCOME**

The Minister for Local Government has announced a 3.5% percent increase in terms of section 506 of the Local Government Act 1993 for the rating year commencing 1/7/2004.

VARIATION OF DOMESTIC WASTE MANAGEMENT SERVICE CHARGE

The Minister **has not** specified a percentage in terms of section 507 of the Local Government Act, 1993, by which the amounts of annual charges for domestic waste management services may be varied for the rating year commencing 1/7/2004. This has the effect that no Ministerial limitation is placed on variations to the charge. However, the amount of the charge remains subject to section 504(3) of the Act and councils will need to review their waste management operations in order to determine the appropriate current and future costs to be included as part of the **reasonable cost** determination.

The 'reasonable cost' determination applies to both section 496 and section 502 components of the charge. The Department has already provided councils with guidance on determining reasonable cost and this can be found in section 9.8 of the Local Government Code of Accounting Practice and Financial Reporting.

The determination of the annual charge for domestic waste management services will continue to be subject to independent audit review.

Department of Local Government
5 O'Keefe Avenue NOWRA NSW 2541
Locked Bag 3015 NOWRA NSW 2541
T 02 4428 4100 F 02 4428 4199 TTY 02 4428 4209
E dlgs@dlg.nsw.gov.au W www.dlg.nsw.gov.au ABN 99 567 863 195

MINIMUM RATES

The proposed statutory maximum will be increased by 3.5% to \$354, subject to regulation amendment. This will be confirmed by e-mail following formal gazettal.

The general variation may also be applied to current minimum amounts, which exceed the 2003/2004 maximum of \$342.

If a minimum rate is to be introduced or reintroduced it must be at a level not exceeding the maximum amount (\$354), unless separate Ministerial approval is obtained.

It is not intended that the maximum amount of a minimum special rate will be increased beyond the existing level of \$2.

Where a Council proposes to increase an existing minimum amount of an ordinary rate above the limit determined by the general variation percentage for 2004/05 to a level which exceeds the statutory minimum of \$354, and not increase its general income it will need to submit a written request seeking Ministerial approval (refer section 548(5)).

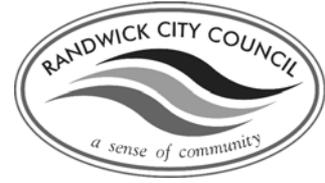
APPLICATIONS FOR MINISTERIAL APPROVAL FOR SPECIAL VARIATION TO GENERAL INCOME.

A separate circular will issue shortly outlining the procedures relating to applications for special variations to general income.



Garry Payne
Director General

Director Asset & Infrastructure Services' Report 26/2004



SUBJECT:	KIOSK GOLDSTEIN RESERVE, COOGEE BEACH - TENDER		
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DATE:	28 May, 2004	FILE NO:	98/S/5563
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REPORT BY: DIRECTOR ASSET & INFRASTRUCTURE SERVICES

INTRODUCTION:

Council has recently called tenders for the leasing on the Coogee Beach Kiosk. The tenders have closed and assessment of the tenders has been completed.

ISSUES:

Although the tender assessment has been completed final sign off of the report by Council's probity auditor and legal advisor has not been finalised. It is envisaged that the signoff will happen prior to the Council Meeting.

CONCLUSION:

The tender has been closed for several weeks now and it is appropriate that the report be brought to Council as soon as practicable. The full assessment report will be distributed to Councillors as soon as it is available.

RECOMMENDATION:

That the report be noted.

ATTACHMENT/S:

Coogee Kiosk Evaluation Report - to be separately circularised.

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MICK SAVAGE
DIRECTOR ASSET &
INFRASTRUCTURE SERVICES

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TIM MCCARTHY
MANAGER ASSETS