

# SHIRE OF KOJONUP



## Special Council Minutes

***10<sup>th</sup> March 2008***

***at 5.00pm***

**SHIRE OF KOJONUP****MINUTES****1 DECLARATION OF OPENING AND ANNOUNCEMENT OF GUESTS**

The President declared the meeting open at 5.16pm and alerted the meeting of the procedures for emergencies including evacuation, designated exits and muster points.

The President read the following statement:

*Disclaimer*

*No person should rely on or act on the basis of any advice or information provided by a Member or Officer, or on the content of any discussion occurring, during the course of the meeting.*

*The Shire of Kojonup expressly disclaims liability for any loss or damage suffered by any person as a result of relying on or acting on the basis of any advice or information provided by a member or officer, or the content of any discussion occurring, during the course of the meeting.*

*Where an application for an approval, a license or the like is discussed or determined during the meeting, the Shire warns that neither the applicant, nor any other person or body, should rely upon that discussion or determination until written notice of either an approval and the conditions which relate to it, or the refusal of the application has been issued by the Shire.*

**2 ATTENDANCE, APOLOGIES & LEAVE OF ABSENCE**

Cr Jill Mathwin	Shire President
Cr Jane Trethowan	Deputy Shire President
Cr John Benn	
Cr Rosie Hewson	
Cr Ernie Graham	
Cr Greg Marsh	
Cr Michael Baulch	
Mr Kim Dolzadelli	Manager of Corporate Services

**APOLOGIES**

Cr Will Carrington-Jones	
Cr Frank Pritchard	
Mr Stephen Gash	Chief Executive Officer

**3 PUBLIC QUESTION TIME**

Nil

**4 SUMMARY OF RESPONSE TO PREVIOUS QUESTIONS TAKEN ON NOTICE**

Nil

**5 APPLICATIONS FOR LEAVE OF ABSENCE**

Nil

**6 CONFIRMATION OF MINUTES**

Nil

**7 ANNOUNCEMENTS by the Presiding Member without discussion.**

Nil

**8 PETITIONS, DEPUTATIONS & PRESENTATIONS**

Nil

**9 DECLARATIONS OF INTEREST**

- Item 10.1 Cr Marsh declared impartiality interest due to his son being the President of the Football Club who has put in an expression of interest.
- Item 10.1 Cr Baulch declared an impartiality interest as he is a member of the football club.

5.19pm Crs Baulch and Marsh left the Chamber

**10 CORPORATE & COMMUNITY SERVICES REPORTS****10.1 DISPOSAL OF LAND BY LEASE – LOC 162 BLACKWOOD ROAD**

AUTHOR: Kim Dolzadelli – Manager Corporate Services  
 DATE: Wednesday, 5 March 2008  
 FILE NO: 01.04.02  
 ATTACHMENTS: a) Letter from Kojonup Football Club and Joint letter from Kojonup Cricket Club and Kojonup Football Club  
 b) Extract from Minutes of Ordinary Council meeting 19<sup>th</sup> February 2008

**DECLARATION OF INTEREST**

Nil

**SUMMARY**

To dispose of land, Loc 162 Blackwood Road, by lease for a period commencing March 2008 for a period of two (2) years.

**BACKGROUND**

At the meeting of Council held 19<sup>th</sup> February 2008 Item 13.1 (Attached) dealt with the proposed lease of Location 162 Blackwood Road.

The following resolution was made:

**“COUNCIL DECISION**

145/08                      *MOVED Cr Trethowan*    *seconded Cr Benn*

*That Item 13.1 lay on the table pending further information from the three (3) sporting clubs who have submitted expressions of interest.*

*CARRIED                      7/0”*

The request for more information was based upon uncertainty as to the base cash offer from the Kojonup Football Club which was to exclude the component incorporated for the in-kind contribution to fencing works by way of labour.

Immediately following the close of the meeting of the 19<sup>th</sup> February 2008 I phoned and discussed the Kojonup Football Club's expression of interest with Mr Andrew Marsh who went through the calculations with me.

Essentially the value placed on the in-kind labour was \$1600. Mr Marsh then explained that if the fencing was not to form part of the agreement then the Kojonup Football Club would spread the \$1,600 over the term of the lease being 2 years. In short the Kojonup Football Club would pay the original cash component of \$3,200 plus \$800 being \$4,000 cash per annum. A letter from the Kojonup Cricket Club confirming this is attached.

I held further discussions with both the Kojonup Cricket Club and Kojonup Football Club and since these discussions we have received a jointly signed letter from the clubs requesting that Council consider the joint lease of the land to the Kojonup Football Club and Kojonup Cricket Club.

**COMMENT**

Expressions of Interest were advertised 1<sup>st</sup> February 2008 in the Kojonup News for the grazing/cropping lease of Lot 162 Blackwood Road, Kojonup. The advertised lease period to commence at the end of February 2008 for a period of two (2) years with a further one (1) year option by mutual agreement. The land is approximately 35 hectares in area.

Expressions of interest closed 4.00pm, Thursday 14<sup>th</sup> February 2008 with the following expressions received:

(It should be noted that the Kojonup Football Clubs cash offer has been changed on the basis of discussions held with the Manager of Corporate Services as detailed in the summary to this report and confirmed in attached letter from Kojonup Football Club received 21<sup>st</sup> February 2008).

<u>Name</u>	<u>Comments</u>	<u>Effective Financial Offer PA Ex GST</u>
Kojonup Clay Target Club Inc.	Cash offer of \$2515.75 pa, however wishes to upgrade fencing at approx. cost of \$2600 – requesting that this cost be offset with one years lease fee.	\$1,257.87
Kojonup Clay Target Club Inc.	Lease as is	\$2,515.75
Kojonup Football Club	Lease as is	\$4,000.00
Kojonup Cricket Club	Lease as is	\$4,000.00
JD & RE Potter	Lessor to assure permanent water supply – either dam or scheme water (trough)	\$4,075.00
A Robinson & K Rowe	Lease as is	\$4,343.00

It is important to note that where property is not being disposed of by way of Public Auction or Public Tender, as defined by section 3.58(2), then Section 3.58(3) Section 3.58(3) and (4) of the Local Government Act 1995 is applied.

Section 3.58(3) of the Local Government Act 1995 states the following:

- (3) *A local government can dispose of property other than under subsection (2) if, before agreeing to dispose of the property —*
- (a) *it gives local public notice of the proposed disposition —*
- (i) *describing the property concerned;*
  - (ii) *giving details of the proposed disposition; and*
  - (iii) *inviting submissions to be made to the local government before a date to be specified in the notice, being a date not less than 2 weeks after the notice is first given; and*
- (b) *it considers any submissions made to it before the date specified in the notice and, if its decision is made by the council or a committee, the decision and the reasons for it are recorded in the minutes of the meeting at which the decision was made.*

Section 3.58(4) specifies the details of the proposed disposition that are required by Section 3.58(3)(ii) above.

It should be noted that Regulation 30(2)(b) contained within the Local Government (Functions and General) Regulations 1996 provides:

- (2) *A disposition of land is an exempt disposition if —*
- (b) *the land is disposed of to a body, whether incorporated or not —*
- (i) *the objects of which are of a charitable, benevolent, religious, cultural, educational, recreational, sporting or other like nature; and*
  - (ii) *the members of which are not entitled or permitted to receive any pecuniary profit from the body's transactions.*

The significance of this exemption is that, where the exemption applies the burden of additional administration and advertising costs associated with compliance with section 3.58 of the Local Government Act 1995 are no longer required. It is estimated that administrative and advertising costs associated with this compliance would be approximately \$750.00.

The officer's recommendation is that the lease be awarded jointly to the Kojonup Cricket Club and Kojonup Football Club for the amount of \$4,000 per annum.

The Kojonup Cricket Club and Kojonup Football Club submission of \$4,000 is \$343 less than that of the next highest submission and disposal to the sporting club would be an exempt disposal hence the removal of costs associated with the additional compliance. It is also seen to be of great value in supporting local sporting clubs who add to the social fabric of our community.

The two clubs should be commended on their wiliness to work together in taking on the joint lease arrangement and I believe would make every success of the joint arrangement.

I also note the decision of Council at its meeting of 21<sup>st</sup> August 2007 where Council granted the lease at that time to the Kojonup Football Club for the following reason:

*“Council assessed greater value in supporting a local community group than possible extra \$800 income that could be received if the lease was awarded solely on a financial basis.”*

#### **CONSULTATION**

None required

#### **STATUTORY ENVIRONMENT**

Section 3.58 of the Local Government Act 1995 and Regulation 30 & 31 Local Government (Functions and General) Regulations 1996.

#### **POLICY IMPLICATIONS**

There are no known Policy Implications.

#### **FINANCIAL IMPLICATIONS**

The lease will generate nominal income for the Shire.

#### **STRATEGIC IMPLICATIONS**

The lease will manage the fire risk on the Shire property and for the adjacent industrial estate and provide an avenue to a local Sporting Club to remain financially viable and operating.

#### **VOTING REQUIREMENTS – Simple Majority**

#### **OFFICER RECOMMENDATION**

1. That the offer from the Kojonup Cricket Club and Kojonup Football Club to jointly lease the land at Location 162 Blackwood Road, Kojonup be accepted for the submitted financial consideration of \$4000.00 per annum excluding GST.
2. That the Chief Executive Officer be authorised to execute the lease agreement with the following conditions:
  - a) That the lessee accepts the property on 'as is' basis;
  - b) Council will not be liable for any issues arising from fencing and containment of stock;
  - c) That the lessee is responsible for minimising any fire hazard and complying with any relevant conditions of the fire break order;
  - d) That stocking rates will be agreed by both parties on an 'as needs' basis to respond to any animal welfare, fire hazard reduction, and land quality preservation issues that may arise.

