

**MINUTES OF  
CONFIDENTIAL ITEM**

**12.20pm Section 48 Prudential Report – BMX Confidential  
Report Reference: FAC101017R8.14**

**Moved Ms Hinchey, Seconded Ms Presser** that the Finance and Audit Committee:

1. pursuant to Section 90(2) and (3)(b)(i)(ii) of the *Local Government Act 1999*, the Finance and Audit Committee orders that all persons present, with the exception of the following persons: Councillor Janet Byram, Adrian Skull, Chief Executive Officer; Vincent Mifsud, General Manager Corporate Services; Abby Dickson, General Manager City Development, Kate McKenzie, Manager Corporate Governance; Greg Salmon, Manager City Activation, Ray Barnwell, Manager Finance and Contracts, Phil Freeman (Office of rec and sport) and Geoff Norris (Onkaparinga) be excluded from the meeting as the Council receives and considers information relating to Section 48 Prudential Report – BMX Confidential, upon the basis that the Finance and Audit Committee is satisfied that the requirement for the meeting to be conducted in a place open to the public has been outweighed by the need to keep consideration of the matter confidential given the information could reasonably be expected to confer a commercial advantage on a person with whom the council is conducting, or proposing to conduct, business, or to prejudice the commercial position of the council and would on balance, be contrary to the public interest.

**Carried unanimously**

**12.20 pm the Committee moved into confidence**

The Committee noted the report and the potential for a funding shortfall of \$4.1m creating a significant budget risk to this project. It was noted that Management are working to reduce the costs of the project but the major issues relate too:

- soil quality
- soil removal
- club room design

The Committee noted there was a lot of good will from all parties involved for a successful outcome. The section 48 prudential report highlights some of the on-going management issues and discusses the exploration of another site. The Committee noted that another location within City of Onkaparinga was being investigated but Onkaparinga Council had not agreed to take over the project.

The report also looked at the capital investment and ongoing costs as the funding agreement clearly states that the contribution from each Council of \$750k plus \$2m (total \$3.5) from the state government was to fund the build of the track.

The Committee noted that the full cost of the project had been estimated at approximately \$7m, which is well over budget.

Project came through offer of \$2m from state government. This came at a time when the prudential report had not been working.

If we moved the location – would Onkparinga take the whole project? Would be up to the Council.

12.31 – CEO left the meeting

If we can't mitigate the funding shortfall – where to do we go.

How committed are we- clause in the funding agreement that provides an out.

If we reduce the facilities – will this reduce the likelihood of attracting events. We can bring in infrastructure.

There is some savings but there is no way we will get it to the \$3.5m

The committee expressed some concerns about the risks of the site.

How many rate payers use it – over 300 members of the club. Not all in Marion

Funding Risks – thinks there is some big assumptions around this – thinking that the risk is higher.

The financial risks seem to be too high.

There is another opportunity for another \$1 from office of rec and sport

The \$3.5 was based on a similar project in Bathurst but the site investigations had not been undertaken when this agreement occurred.

Options around staging.

Would Council and Onkparinga increase funding (unsure).

Minister is aware there is a funding shortfall. Minister wants to see more events. Minister likes the model – two clubs, two councils, on state land.

There is more work to be done.

The \$\$ side don't match with the intentions – need better commitment – and reduced costs.

What are we going to do with the current tracks – onk – will be decommissioned – Marion – park of cove sports complex – need to look at long terms strategy. Costs if remediating track is not included in s48 report.

Have we looked at corporate sponsor – starting to look at this.

Will come back in the December meeting

**12.50 pm of Confidence**

**Meeting extension til 1pm kp and NK**

**12.50 am 73 Cove Road, Marino**  
**Report Reference: FAC101017R8.15**

**MovedNK , SecondedEH** that the Finance and Audit Committee:

1. pursuant to Section 90(2) and 3(a) and (3)(h)(i) of the *Local Government Act 1999*, the Finance and Audit Committee orders that all persons present, with the exception of the following persons: Abby Dickson, General Manager City Development; Vincent Mifsud, General Manager Corporate Services; Kate McKenzie, Manager Corporate Governance, Sherie be excluded from the meeting as the Finance & Audit Committee receives and considers information relating to 73 Cove Road Marino, upon the basis that it is satisfied that the requirement for the meeting to be conducted in a place open to the public has been outweighed by the need to keep consideration of the matter confidential given information the disclosure of which would involve the unreasonable disclosure of information concerning the person affairs of any person (living or dead); and information relating to actual litigation, or litigation that the Finance and Audit Committee believes on reasonable grounds will take place, involving the Council or an employee of the Council.

**Outcome**

**12.50 – moved into confidence**

**Long standing planning matter from 2011 – development of cove road marion – been to DAP – approved on three occasions. Neighbours have appealed the developed through the ERD Court.**

**Ruling this year that quashed approval and ordered a demolition order.**

**Noted this was unusual –**

**What is the cost to Council - \$120k approx. in legal**

**Have we worked with the Fleetwoods – yes. Have already built the property and this would require demolishing part of the building – this is due to the set backs.**

**Provide update after meeting on Friday.**

**1.15 pm**

**Outcome**

**Time into confidence**

**Moved , Seconded that the Finance and Audit Committee:**

1. Provides their feedback and advice on the Draft UCI Standard BMX Facility – Section 48 Prudential Report.
2. Notes that a final Section 48 Prudential report will be presented to the Committee if the ongoing investigations lead to a viable proposal, anticipated to be the 12 December 2017 meeting.
3. In accordance with Section 91(7) and (9) of the Local Government Act 1999 the Committee orders that this report, Section 48 Prudential Report – BMX Confidential and the minutes arising from this report having been considered in confidence under Section 90(2) and (3)(i)(ii) of the Act, except when required to effect or comply with

Council's resolution(s) regarding this matter, be kept confidential and not available for public inspection for a period of 12 months from the date of this meeting. This confidentiality order will be reviewed at the General Council Meeting in December 2017.

OUTCOME

**am** the meeting came out of confidence

CONFIDENTIAL