

**Minutes of the Extraordinary Meeting  
of Shellharbour City Council  
held at the Council Chambers, Warilla  
on Wednesday 18 May 2005 commencing at 7:15 pm**

**Present**

His Worship the Mayor	Councillor D Hamilton
A Ward	Councillor M Greig Councillor T Hawker
B Ward	Councillor H Stewart
C Ward	Councillor J Bailey Councillor D Briggs
D Ward	Councillor J Leedham Councillor T Hore
E Ward	Councillor C Mifsud Councillor G Rose
F Ward	Councillor B Bird Councillor H Gillett

**In attendance**

General Manager	B A Weir
Director of Operations & Services	A Webster
Acting Director of Community Planning & Strategies	J Tremain
Group Manager Community Services & Devel.	L Campbell
Group Manager Corporate Services	T Gearon
Group Manager Customer & Env. Services	G Standen
Group Manager Development & Tech Services	M Boenisch
Group Manager Corporate Planning	P Masterson
Group Manager Organisational Development	B Rose
Manager Financial Services	P Henderson
Manager Executive Offices/Executive Assistant	F MastroDomenico
Manager Media & Communications	B Parker
Corporate Meetings Officer	J Larsen

## **Acknowledgement to Country**

The Mayor read to the Meeting "Shellharbour City Council acknowledges the Traditional Owners and Custodians of the Land on which we are meeting".

### **1. Apologies / Leave of Absence**

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An apology was tendered on behalf of Councillor Jeffreys.

800 RESOLVED: Leedham/Bird. That the apology as tendered be accepted.

### **2. Pecuniary Interest**

Nil

### **3. General Manager's Office**

#### **3.1 2005-2006 Management Plan (8342652)**

#### **PUBLIC PARTICIPATION:**

##### **Peter Moran**

- Questioned why if problems evolved over a long period no action taken previously.
- Pressure of growth in population – aware of this. Should have made long term plans.
- Low staff base – known about this problem.
- Sound planning would have allowed a more steady increase in rates rather than a large increase now.
- Why do we fund businesses.

##### **Paula Turnbull**

- Representing residents of Albion Park.
- Concerned with drainage problems, traffic and parking problems, lack of kerb and guttering in Albion Park
- Would like more details of where money has been spent
- Rates rise would be especially hard on young property owners of Albion Park

##### **Harry Gooden**

- In April's Community update Mayor Hamilton painted a picture of a strong and prosperous city. No mention of approaching shortfall in revenue which became apparent a few weeks later.
- How has situation developed so quickly; he outlined Council's financial history.
- At a meeting with Independents 9.5% suggested as a rise in rates needed.

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- Unprecedented waste, trips, trip to Jamberoo, golf course problems, P.A. for Mayor.
- Waste needs to be reined in, Council must regain control.

Councillor Greig asked Mr Gooden where in the business paper was a figure of \$75,000 for "Assistant to Mayor" as mentioned by him.

Following crossfire in the Chambers, Councillor Rose accused Councillor Greig of "opening her mouth and putting her foot in it".

Councillor Greig took offence to this comment and requested an apology.

The Mayor requested that Councillor Rose apologise.

After initially refusing, Councillor Rose said he would apologise just to get on with things.

Councillor Greig said she would not accept apology on such terms. Eventually Councillor Rose apologised unconditionally and Councillor Greig accepted his apology.

### **Robert Cusack**

- Mr Cusack advised that he is the vice-president of Oak Flats Swimming Club.
- He said he objected to the proposed changes in admission charges to Oak Flats pool.
- Shellharbour/Oak Flats Club provide training for city's lifeguards
- Learn to swim programmes conducted
- Membership increasing due to increased charges at Dapto.
- His Club paid \$24,000 to council for lane hire this year
- Season tickets have been used as a means of reducing costs
- Oak Flats Swimming Club is an amateur club established for 40 years. Fee structure to cover costs only.
- Only club in NSW that allows members to compete for \$35.00
- Cost basically lane hire – not an elitist sport
- Many families will face charges of up to \$800 at heated pool if current proposal enacted.
- Swimmers use pool up to 10 times per week.
- Club is asking that you consider possible impact before you move down this path

Councillor Bird asked Mr Cusack whether he would be willing to put in a written submission during the public exhibition period so that his concerns could be properly addressed.

Mr Cusack advised that he would be willing to do so.

### **Craig James**

- Mr James advised that he is a member of Oak Flats Swimming Club with 4 children training and competing.
- He advised that there is a lot of work children need to do if involved with competitive swimming – every day 2 sessions a day all season. Looking at visiting the pool 25 times every week.
- Currently pays \$256.00 for season pass. With proposed fee structure charges will be in excess of \$1100.
- He advised that his family will not be able to handle a 400% increase in charges.
- Club has a high number of families with several children.
- Larger families being discriminated.

The Mayor gave Mr James a commitment that this matter would be reconsidered and a complete review of charges conducted prior to Council adopting the Budget.

**Mrs Colbert**

Concerned with 11% rise in rates proposed. Cannot afford rise proposed as she is a pensioner.

**Bob Parsons**

- Express concerns of residents in Ward D. Residents he has approached are against rises proposed. Would settle for 3.5%.
- Pensioners got a rebate and now asked to pay more.
- Very hard on single pensioners.
- No indication of what services would be cut.
- Why should Shellharbour pay for airport for whole area.
- Before last election – envy of other councils – sound financial position, now it seems that wheels have fallen off
- With each new home built the rates income is increased to Council
- Sale of Lot 100 – profits belong to residents.
- Tullimbah sale of land owned by Council will add to income
- Golf course – no returns as yet.
- Families on basic incomes cannot afford increase in rates.

**Sonya McKay**

Withdrew her public participation as she had launched an investigation of Shellharbour Council, by the Department of Local Government in regards to the expenditure of \$2,000,000 at the Airport.

Councillor Bird requested information on a comparison of our rates and Kiama's if Shellharbour adopts an 11% rise and Kiama adopts 3.5% rise.

The General Manager advised that Kiama rates with 3.5% will be \$17.71 per week  
Shellharbour with 11% rise will be \$15.00 per week which would mean average rates based on 3.5% rise for Kiama would be \$921.00, for Shellharbour at 11% would be \$791.00

The General Manager stated that averages can vary so much that there is limited value in comparing averages in different areas.

MOTION: Hawker/Briggs

1. That Council adopt:-

- The Management Plan
- The Strategic Plan
- The Budget
- The Revenue Policy
- The Fees and Charges
- The Statutory New Budget Items as recommended totalling \$82,000
- The Essential New Budget Items as recommended totalling \$478,900
- Community Services Department Trainee (Priority 1) - \$45,000
- Play equipment soft fall (Priority 1) - \$20,000
- Replace sand in Warilla Pool sand filter (Priority 1) - \$18,000
- Works Depot Improvement – Extension of Parks & Gardens Garage (Priority 1) - \$35,000
- Adopt a road – Illawarra Road Safety Park (Priority 1) - \$5,000
- Stadium Materials Budget (Priority 1) - \$5,000
- Review of on site sewerage management DCP (Priority 1) - \$5,000
- Gross Pollutant Trap Maintenance (Priority 1) - \$10,000
- Additional Street Sweeper Operator (Priority 1) - \$26,000
- Councillor determined items be utilised for City cemetery security measures - \$171,000

And that this be advertised in accordance with s.405 of the Local Government Act. This budget will require an increase to Council's rates of 9.5% This will result in a surplus of \$14,091

2. That Council make application to the Department of Local Government for a special variation to general income to increase rates by 9.5% in accordance with s.508 of the Local Government Act 1993, as amended.

3. That this budget results in the following Rates and Charges:-

- a. For the residential rate category, a base rate of 25% (\$211.18) and ad-valorem component of 0.35246 cents in the dollar on the base date 1/7/2003 land value of all rateable residential land in the local government area.
- b. For the business rate category, an ad-valorem rate of 0.87286 cents in the dollar on the base date 1/7/2003 land value of all rateable land in the local government area determined to be in the business category general.
- c. For the business category, sub category non-urban, an ad-valorem rate of 0.35124 cents in the dollar on the base date 1/7/2003 land value of all rateable land determined to be in this category, in the local government area.
- d. For the farmland category, an ad-valorem rate of 0.33635 cents in the dollar on the base date 1/7/2003 land value of all rateable land determined to be in this category, in the local government area.
- e. A Domestic Waste Service Charge and a Business Waste Service Charge of:  
  
\$150.00 per annum per 240 litre bin per fortnightly service

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\$234.00 per annum per 240 litre bin per weekly service  
\$135.00 per annum per 120 litre bin per fortnightly service  
\$178.00 per annum per 120 litre bin per weekly service  
\$24.00 per available service (vacant land)

- f. A high density bulk recycling (weekly) service - \$104.00 per bin per annum.  
A high density bulk recycling (fortnightly) service - \$52.00 per bin per annum.  
A high density bulk waste (weekly) service - \$165.00 per bin per annum.
  - g. The amount by which overdue rates be increased for the year be 9 percent per annum.
  - h. Further that Council notes that rate yields and rates in the dollar (\$) will be subject to slight variation due to land values anticipated to be added to Council's rate base prior to final adoption.
4. That the amount of new loan borrowing application be \$1,000,000 with \$1,000,000 to be borrowed if required from recognised banking institutions secured by a mortgage over Council's consolidated fund income.
  5. That the staff Retention Fund of \$300,000 be excluded. Further that the General Manager be authorised to manage the staff turnover situation within the existent salary and wages budget, but to also have the authority to act to retain key staff and key positions affected by the Local Government market situation and periodically report to Council on this matter as required.
  6. If Council's Special Variation application is not approved by the Department of Local Government then Council resolves to increase rates by 3.5% as permitted by the Minister and that Council only fund the Statutory New Items as recommended totalling \$82,000 and that Council reduces its budget proportionally from the various Key Budget Activities funded by general revenue so as to achieve a balanced budget.
  7. That this budget results in the following Rates and Charges:-
    - a. For the residential rate category, a base rate of 25% (\$199.61) and ad-valorem component of 0.33315 cents in the dollar on the base date 1/7/2003 land value of all rateable residential land in the local government area.
    - b. For the business rate category, an ad-valorem rate of 0.82503 cents in the dollar on the base date 1/7/2003 land value of all rateable land in the local government area determined to be in the business category general.
    - c. For the business category, sub category non-urban, an ad-valorem rate of 0.33199 cents in the dollar on the base date 1/7/2003 land value of all rateable land determined to be in this category, in the local government area.
    - d. For the farmland category, an ad-valorem rate of 0.31792 cents in the dollar on the base date 1/7/2003 land value of all rateable land determined to be in this category, in the local government area.
    - e. A Domestic Waste Service Charge and a Business Waste Service Charge of:  
  
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  - g. The amount by which overdue rates be increased for the year be 9 percent per annum.
  - h. Further that Council notes that rate yields and rates in the dollar (\$) will be subject to slight variation due to land values anticipated to be added to Council's rate base prior to final adoption.
8. That the General Manager be authorised to organise two public information nights for residents during the public exhibition period possibly at Albion Park and Flinders.
9. That a complete review of the proposed pool charges be conducted.
10. That in the list of organisations to received financial assistance that the amount for Westpac Lifesaver Helicopter be transferred to rescue services.

Councillor Briggs commented that if a 9.5% increase was adopted this would mean an average increase of \$1.41 per week.

Councillor Mifsud stated that he had predicted what would happen tonight. He stated that the Independents were told the proposed increase would be 9.5% and 2 days later it was 11% in the media. He suggested that the 11% increase was only proposed to make it easier for 9.5% to be achieved and that the Labor Councillors had already worked out that they would propose a 9.5% increase.

Councillor Hawker MOVED a POINT of ORDER that he objected to the insinuation that the Labor Councillors are doing something illegal. He stated that a lot of discussion and deliberation had taken place to find the best way forward.

Councillor Rose shouted that "We have been conned" "liars", "Labor party is a disgrace", "Sin bin me – get an administrator in".

Councillor Bailey MOVED a POINT of ORDER that Councillor Leedham was causing disruption by snickering and making comments directed at the Independent Councillors.

Considerable crossfire and interjection took place.

The Mayor warned the Councillors and public gallery to be quiet and act in a proper manner.

The Mayor expressed concern at the behaviour of the elected representatives of the City.

Councillor Rose continued to shout and would not refrain and stated that he was prepared to leave the Chambers.

The Mayor asked for a resolution that Councillor Rose be asked to leave the Chamber.

801 RESOLVED: Briggs/Greig. That Councillor Rose be asked to leave the Chamber.

Councillor Rose here left the Chamber.

Councillor Stewart asked Councillor Hawker whether he had come to the wording of the recommendation on his own.

Councillor Hawker stated that the Labor Councillors do caucus but that no consideration had been given as to the proposed budget until 6.30 pm tonight.

Councillor Stewart asked the General Manager why when the Independent Councillors were briefed on the budget had he spoke of recommending a 9.5% increase.

The General Manager stated that he had briefed all Councillors, except Councillor Jeffreys who was not available, on the basis of the minimum increase that was needed to operate the organisation. Subsequently the Director Operations & Services had advised the General Manager that he believed that this amount was insufficient as it provided no discretion for the Councillors to request any items and that it was cutting operations "too close to the bone". No priority one items at all were provided for and only \$62,000 was available for the many Councillor requests. He added that taking the minimum 3.5% increase would mean the budget would still be in deficit before considering any new items. He advised that he had therefore amended his recommendation so as to propose an 11% increase. He stated that he did not talk to the Labor Councillors about the proposed 11% increase.

Councillor Stewart then strongly criticised the General Manager for the manner in which some of the Budget Papers had been distributed.

Councillor Stewart stated that she felt they have been deceived.

Councillor Mifsud also criticised the General Manager for not informing Councillors of the proposed 11% increase and that it was in the media before Councillors knew of it.

The General Manager stated he believed a memo had been distributed to Councillors before any release appeared in the media. He advised that he would check and if the memo was sent when he believed it was, then he would ask for a retraction of Councillor Mifsud's remarks.

In response to a question from Councillor Bailey the Mayor advised that the Labor Councillors did caucus this evening and discussed the best possible outcome.

802 The MOTION on being PUT to the Meeting was CARRIED 8/3

(Councillors Mifsud, Bailey and Stewart against).

#### **4. Operations & Services Division**

Nil



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**5. Community Planning & Strategies Division**

Nil

**6. Shell Cove Business Division**

Nil

**Meeting closed 8.30 pm**

CONFIRMED as a correct record of proceedings at the Ordinary Meeting of the Council of the City of Shellharbour held 7 June 2005

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General Manager

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Chairperson