



COUNCIL MINUTES

for the meeting

Tuesday, 27 August 2024

in the Council Chamber, Adelaide Town Hall

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Present – The Right Honourable the Lord Mayor, Dr Jane Lomax-Smith (Presiding)

Deputy Lord Mayor, Councillor Snape

Councillors Abrahamzadeh, Couros, Davis, Elliott, Giles, Hou, Li, Noon and Dr Siebentritt

1 Acknowledgement of Country

At the opening of the Council meeting, the Lord Mayor stated:

'Council acknowledges that we are meeting on traditional Country of the Kaurna people of the Adelaide Plains and pays respect to Elders past and present. We recognise and respect their cultural heritage, beliefs and relationship with the land. We acknowledge that they are of continuing importance to the Kaurna people living today.

And we also extend that respect to other Aboriginal Language Groups and other First Nations who are present today.'

2 Acknowledgement of Colonel William Light

The Lord Mayor stated:

'The Council acknowledges the vision of Colonel William Light in determining the site for Adelaide and the design of the City with its six squares and surrounding belt of continuous Park Lands which is recognised on the National Heritage List as one of the greatest examples of Australia's planning heritage.'

3 Prayer

The Lord Mayor stated:

'We pray for wisdom, courage, empathy, understanding and guidance in the decisions that we make, whilst seeking and respecting the opinions of others.'

4 Pledge

The Lord Mayor stated:

'May we in this meeting speak honestly, listen attentively, think clearly and decide wisely for the good governance of the City of Adelaide and the wellbeing of those we serve.'

5 Memorial Silence

The Lord Mayor asked all present stand in silence in memory of those who gave their lives in defence of their Country, at sea, on land and in the air.

Councillor Couros left the Council Chamber and re-entered at 6.41 pm.

6 Apologies and Leave of Absence

On Leave:

Councillor Martin

7 Confirmation of Minutes - 13/8/2024

Moved by Deputy Lord Mayor, Councillor Snape,
Seconded by Councillor Abrahamzadeh -

That the Minutes of the meeting of the Council held on 13 August 2024, be taken as read and be confirmed as an accurate record of proceedings.

Carried unanimously

8 Declaration of Conflict of Interest

Nil

9 Deputations

Nil

10 Petitions

Nil

11 Audit and Risk Committee Report - 9 August 2024

Moved by Councillor Li,
Seconded by Councillor Abrahamzadeh -

THAT THE AUDIT AND RISK COMMITTEE RECOMMENDS TO COUNCIL**THAT COUNCIL**

1. Notes the 2023/24 Preliminary Financial Position as presented in Attachment A to Item 4.1 on the Agenda for the Special meeting of the Audit and Risk Committee held on 9 August 2024, which include:
 - 1.1 Total operating income of \$238.598 million (\$234.470 million estimated in Q3)
 - 1.2 Total operating expenditure (including depreciation) of \$229.614 million (\$227.655 million estimated in Q3)
 - 1.3 An operating surplus of \$8.984 million (\$6.815 million estimated in Q3)
2. Notes results presented are subject to external audit, and therefore are estimates at this stage.
3. Notes the Capital Works Quarter 4 update as presented in Attachment A to Item 4.1 on the Agenda for the Special meeting of the Audit and Risk Committee held on 9 August 2024, which include:
 - 3.1 Major Projects expenditure of \$27.338 million (\$28.551 million estimated in Q3)
 - 3.2 New and Upgrades expenditure of \$9.343 million (\$16.862 million estimated in Q3)
 - 3.3 Renewals expenditure of \$54.085 million (\$54.143 million estimated in Q3)
 - 3.4 Capital Program expenditure of \$90.766 million (\$99.556 million estimated in Q3)
 - 3.5 Grant funding to support capital expenditure on new/upgraded assets of \$5.524 million (\$7.152 million estimated in Q3)
4. Receives the Council Subsidiary Quarter 4 updates as provided as Attachments B, C, D and E to Item 4.1 on the Agenda for the Special meeting of the Audit and Risk Committee held on 9 August 2024.
5. Notes that at the end of this Quarter 83% of Projects were capitalised within 10 weeks, exceeding the 70% target proposed by the Audit and Risk Committee at its meeting of 5 February 2021.

Discussion ensued

Undertaking – Audit and Risk Committee Report - 9 August 2024

In response to a query from Councillor Davis, an undertaking was given to bring back to provide an answer to how Council went from an expected debt position of \$23m to Nil borrowings. The CEO subsequently provided the answer in response to the same question from Councillor Davis regarding Item 13.1.

The motion was then put and carried

12 Recommendations of the Infrastructure and Public Works Committee - 20 August 2024

Moved by Councillor Elliott,
Seconded by Deputy Lord Mayor, Councillor Snape -

12.1 Recommendation 1 - Item 7.1 - Capital Works Monthly Project Update - July 2024THAT COUNCIL

1. Notes the Capital Works Program Update for July 2024 as contained within this report and Attachment A to Item 7.1 on the Agenda for the meeting of the Infrastructure & Public Works Committee held on 20 August 2024.

12.2 Recommendation 2 - Item 7.2 - Main Streets - O'Connell Street and Hutt Street Revitalisation ConceptTHAT COUNCIL

1. Approves the concept plans for O'Connell Street Revitalisation Project as contained in Attachment A to Item 7.2 on the Agenda for the meeting of the Infrastructure and Public Works Committee held on 20 August 2024.
2. Requests Administration review the concept plans for Hutt Street Revitalisation Project as contained in Attachment B to Item 7.2 on the Agenda for the meeting of the Infrastructure and Public Works Committee held on 20 August 2024, with particular focus on the provision of car parking spaces.
3. Approves the proposal to construct a section of O'Connell Street to align with the completion of the Eighty Eight O'Connell Development with budget reviewed at quarterly budget review.
4. Notes that a project update, including an engagement summary will be provided to Council once 70% detailed design and construction staging plan is completed.

Discussion ensued, during which with the consent of the mover, seconder and the meeting that Recommendations 1 and 2 would be voted upon separately.

Recommendation 1 was put and carried

Amendment –

Moved by Councillor Couros,
Seconded by Councillor Abrahamzadeh –

That recommendation 2 be amended by the inclusion of an additional part 5 to read as follows:

- '5. In support of precinct vitality, requests that Administration as they progress towards achieving 70% design completion for the O'Connell Street – Mainstreet project investigate and identify options to promote additional parking areas and zones within the precinct. This information to be integrated into the ongoing design work to ensure comprehensive planning and to support the needs of the local businesses and the community.'

Discussion ensued

The amendment to recommendation 2 was then put and carried

Amendment –

Moved by Councillor Giles,
Seconded by Councillor Noon –

That Part 2 of recommendation 2 be amended to read as follows:

- '2. Approve in principle the concept plans for Hutt Street Revitalisation Project as contained in Attachment B to Item 7.2 on the Agenda for the meeting of the Infrastructure and Public Works Committee held on 20 August 2024 and conduct further research and consultation on the issue of balancing car parking, public space and cycling and report to council any alternate propositions for consideration.'

Discussion ensued

The amendment was then put and lost

Discussion continued

The motion, as amended, was then put and carried unanimously

13 Recommendations of the City Finance and Governance Committee - 20 August 2024

13.1 Recommendation 1 - Item 7.1 - 2023/24 Business Plan and Budget Quarter 4 update

Moved by Councillor Siebentritt,
Seconded by Councillor Noon -

THAT COUNCIL:

1. Notes the progress against Council's Priorities in the 2023/24 Annual Business Plan and Budget.
2. Notes the 2023/24 Preliminary Financial Position as presented in Attachment A to Item 7.1 on the Agenda for the meeting of the City Finance and Governance Committee held on 20 August 2024, which includes:
 - 2.1. Total operating income of \$238.598 million (\$234.470 million estimated in Q3)
 - 2.2. Total operating expenditure (including depreciation) of \$229.614 million (\$227.655 million estimated in Q3)
 - 2.3. An operating surplus of \$8.984 million (\$6.815 million estimated in Q3)
3. Notes results presented are subject to external audit, and therefore are estimates at this stage.
4. Notes the Capital Works Quarter 4 update as presented in Attachment A to Item 7.1 on the Agenda for the meeting of the City Finance and Governance Committee held on 20 August 2024, which includes:
 - 4.1. Major Projects expenditure of \$27.338 million (\$28.551 million estimated in Q3)
 - 4.2. New and Upgrades expenditure of \$9.343 million (\$16.862 million estimated in Q3)
 - 4.3. Renewals expenditure of \$54.085 million (\$54.143 million estimated in Q3)
 - 4.4. Capital Program expenditure of \$90.766 million (\$99.556 million estimated in Q3)
 - 4.5. Grant funding to support capital expenditure on new/upgraded assets of \$5.524 million (\$7.152 million estimated in Q3)
5. Receives the Council Subsidiary Quarter 4 updates as provided as Attachments B, C, and D to Item 7.1 on the Agenda for the meeting of the City Finance and Governance Committee held on 20 August 2024.
6. Notes that at the end of this Quarter, 83% of Projects were capitalised within 10 weeks, exceeding the 70% target proposed by the Audit and Risk Committee at its meeting on 5 February 2021.
7. Notes the annual financial statements will be audited by the external auditors and presented to the Audit and Risk Committee meeting to be held on 27 September 2024.
8. Authorises the Chief Executive Officer and Lord Mayor to sign the audited financial statements following the Audit and Risk Committee meeting of 27 September 2024.
9. Notes the audited financial statements will be presented to the City Finance and Governance Committee at its meeting scheduled for 15 October 2024 and the Council at its meeting scheduled for 22 October 2024.

Discussion ensued

The motion was then put and carried

13.2 Recommendation 2 - Item 7.2 - By-law Review - Consultation Feedback and Endorsement

Moved by Deputy Lord Mayor, Councillor Snape,
Seconded by Councillor Siebentritt -

THAT COUNCIL:

1. Notes the public consultation submissions and recommendations received on the draft by-laws, as included in Attachment A, and the Dog and Cat Management Board's endorsement provided in Attachment B to Item 7.2 on the Agenda for the meeting of the City Finance and Governance Committee held on 20 August 2024.
2. Notes the requirements of the National Competition Policy and the Reports prepared on the National Competition Policy with respect to the by-laws, included in Attachment C to Item 7.2 on the Agenda for the meeting of the City Finance and Governance Committee held on 20 August 2024.
3. Makes, pursuant to Section 246 of the Local Government Act 1999 (SA), in exercise of the powers and taking into account the requirements under the Acts Interpretation Act 1915, City of Adelaide Act 1998, Dog and Cat Management Act 1995 and Local Government Act 1999 (SA) and regulations, the following by-laws as contained in Attachments D-L to Item 7.2 on the Agenda for the meeting of the City Finance and Governance Committee held on 20 August 2024:
 - 3.1 Permits and Penalties By-law 2024
 - 3.2 Moveable Signs By-law 2024
 - 3.3 Local Government Land By-law 2024
 - 3.4 Roads By-law 2024
 - 3.5 Waste Management By-law 2024
 - 3.6 Rundle Mall By-law 2024
 - 3.7 Dogs By-law 2024
 - 3.8 Cats By-law 2024
 - 3.9 Lodging Houses By-law 2024
4. Authorises the Chief Executive Officer to sign the by-laws as made by Council.
5. Authorises the Chief Executive Officer to publish notice of the making of the by-laws in the Advertiser newspaper.
6. Authorises the Chief Executive Officer to arrange for the by-laws as made by Council to be published in the Government Gazette.
7. Adopts the reports to the Legislative Review Committee on each of the by-laws included at Attachment M to Item 7.2 on the Agenda for the meeting of the City Finance and Governance Committee held on 20 August 2024 and authorises the Chief Executive Officer to sign on Council's behalf.
8. Authorises the Chief Executive Officer to arrange for the by-laws and all other necessary documentation to be provided to the Legislative Review Committee.

Carried unanimously

13.3 Recommendation 3 - Item 7.3 - 2024/25 Q1 Forward Procurement Report

Moved by Deputy Lord Mayor, Councillor Snape,
Seconded by Councillor Giles -

THAT COUNCIL:

1. Notes the Procurements set out in Attachment A to Item 7.3 on the Agenda for the meeting of City Finance and Governance Committee held on 20 August 2024, which will be released to the market during Quarter 1 of the 2024/2025 financial year.

Carried

14 Recommendation of the City Finance and Governance Committee - 27 August 2024**14.1 Recommendation 1 - Item 6.1 - LTFP Update - Workshop 3**

Moved by Councillor Siebentritt,
Seconded by Councillor Noon -

THAT COUNCIL

1. Approves the following assumptions to incorporate into the draft 2024/25 LTFP to be presented to the City Finance and Governance Committee at its meeting scheduled for 17 September 2024 for recommendation to Council:
 - 1.1. Renewals and ARFR assumptions:
 - 1.1.1. Transition to 100% ARFR over 8 years
 - 1.1.2. Adjust program to fund \$69m per annum average over the 10 years
 - 1.1.3. Deliver the Asset Renewal Repair Fund over 3 years, utilising borrowings to temporarily fund the shortfall during the transition period
 - 1.2. Adelaide Bridge assumptions:
 - 1.2.1. Renew with existing load bearing
 - 1.2.2. CoA funds 75% (net \$45m) over 2 years
 - 1.2.3. Advocate for financial assistance for 50% funding contribution from State / Federal bodies
 - 1.3. Torrens Weir assumptions:
 - 1.3.1. Renew like for like
 - 1.3.2. CoA funds 33% (net \$13.3m) over 2 years
 - 1.3.3. Advocate for financial assistance for 2/3rds funding contribution from State / Federal bodies
 - 1.4. Rundle UPark assumptions
 - 1.4.1. Reinstate to LTFP
 - 1.4.2. Extend useful life (assume \$15m over 2 years)
 - 1.4.3. Reinstate associated net revenue in LTFP
 - 1.5. New and upgraded assets assumptions:
 - 1.5.1. Maintain current commitments (including Mainstreets & Park Lands buildings)
 - 1.5.2. Adjust program in outer years to fit within current Prudential Borrowings Limits (after considering all other LTFP components)
 - 1.5.3. Assumed allowance subject to Business Cases
 - 1.6. Fees and charges assumptions:
 - 1.6.1. Reinstate Rundle UPark net income from 2029/30
 - 1.6.2. Fees and Charges increase in line with CPI
 - 1.7. Service delivery assumptions (including strategic projects):
 - 1.7.1. Reinstate Rundle UPark Net Income from 2029/30
 - 1.7.2. Current service delivery and projects levels are maintained at current levels and increase in line with CPI
 - 1.8. Rates revenue impact assumptions:
 - 1.8.1. CPI increase
 - 1.8.2. Growth at 1%
 - 1.8.3. Asset Renewal Repair fund over 3 years

1.8.4. Asset Renewal Funding Ratio transition over 8 years

Discussion ensued, during which:

- The Lord Mayor left the Council Chamber at 7.27 pm, whereupon Deputy Lord Mayor, Councillor Snape took the Chair at 7.27pm.
- The Lord Mayor re-entered the Council Chamber at 7.35 pm and retook the Chair.
- With the consent of the mover and seconder, it was agreed that the motion would be taken in parts.

Part 1 and 1.1 of the motion, was then put and carried

Part 1.2 of the motion, was then put and carried

Part 1.3 of the motion, was then put and carried

Part 1.4 of the motion, was then put and carried

Part 1.5 of the motion, was then put and carried

Part 1.6 of the motion, was then put and carried

Part 1.7 of the motion, was then put and carried

Part 1.8 of the motion, was then put and carried

15 Reports for Council (Chief Executive Officer's Reports)

Nil

16 Lord Mayor's Reports

The Lord Mayor addressed the meeting on the following activities:

- Queen Adelaide's birthday
- Citizenship Ceremony
- Reception to welcome delegates for the National Local Government Housing Summit
- Lord Mayor's Homelessness Roundtable
- Opening of the Marriott Hotel

It was then -

Moved by Deputy Lord Mayor, Councillor Snape,
Seconded by Councillor Couros -

That the report be received and noted.

Carried

17 Councillors' Reports

17.1 Reports from Council Members

Moved by Deputy Lord Mayor, Councillor Snape,
Seconded by Councillor Couros -

THAT COUNCIL

1. Notes the Council Member activities and functions attended on behalf of the Lord Mayor (Attachment A to 17.1 on the Agenda for the meeting of the Council held on 27 August 2024).
2. Notes the summary of meeting attendance by Council Members (Attachment B to Item 17.1 on the Agenda for the meeting of the Council held on 27 August 2024).

3. Notes that reports from Council Members tabled at the meeting of the Council held on 27 August 2024 will be included in the Minutes of the meeting.

Deputy Lord Mayor, Councillor Snape addressed the meeting on his attendance at the second rally to save the Crown and Anchor.

Councillor Abrahamzadeh addressed the meeting to provide a personal explanation on a comment he made on a radio program about never having received a complaint about people having access issues on Council footpaths. He had received one complaint in 2019.

The motion was then put and carried

Councillor Siebentritt left the Council Chamber at 7.44 pm.

18 Motions on Notice

Nil

19 Motions without Notice

Nil

20 Questions on Notice

20.1 Councillor Davis - QoN - Increase Debt Estimate

20.2 Councillor Davis - QoN - Bridge, Weir and Rundle UPark

20.3 Councillor Davis - QoN - Asset Renewal

20.4 Councillor Davis - QoN - Prudential Borrowing Limit

20.5 Councillor Davis - QoN - Rate Increases

20.6 Councillor Davis - QoN - Rundle UPark

20.7 Councillor Davis - QoN - Light Square

The Questions and Replies having been distributed and published prior to the meeting were taken as read.

The replies for Item 20.1 – 20.7, are attached for reference at the end of the Minutes of the meeting

21 Questions without Notice

Undertaking – Item 20.5 - Councillor Davis - QoN - Rate Increases

In response to queries from Councillor Davis, an undertaking was given to address question 1.1 in Item 20.5 - Councillor Davis - QoN - Rate Increases, again and provide the answer to Council Members.

Discussion ensued, during which:

- Councillor Siebentritt re-entered the Council Chamber at 7.45 pm
- Councillor Davis left the Council Chamber at 7.45 pm and re-entered at 7.47 pm

22 Exclusion of the Public

Moved by Councillor Hou,
Seconded by Councillor Abrahamzadeh -

THAT COUNCIL:

1. Having taken into account the relevant consideration contained in section 90(3) (b) and (d) and section 90(2) & (7) of the *Local Government Act 1999 (SA)*, this meeting of the Council dated 27 August 2024 resolves that it is necessary and appropriate to act in a meeting closed to the public as the consideration of Item 23 [Confidential Recommendation of the City Finance and Governance Committee – 27 August 2024] listed on the Agenda in a meeting open to the public would on balance be contrary to the public interest.

Grounds and Basis

This Item is commercial information of a confidential nature (not being a trade secret) the disclosure of which could reasonably be expected to identify the proponent and to confer a commercial advantage on a person with whom the council is conducting business and prejudice the commercial position of the council, with the potential to confer a commercial advantage to a third party competitor of a person with whom the council is conducting business.

Public Interest

The Committee is satisfied that the principle that the meeting be conducted in a place open to the public has been outweighed in the circumstances because the disclosure of this information may result in release of information prior to the finalisation of 'commercial in confidence' negotiation with the proponent and because the disclosure of Council's commercial position may severely prejudice Council's ability to discuss/participate or influence a proposal for the benefit of the Council and the community in this matter and in relation to other contract negotiations.

2. Pursuant to section 90(2) of the *Local Government Act 1999 (SA)* (the Act), this meeting of the Council dated 27 August 2024 orders that the public (with the exception of members of Corporation staff and any person permitted to remain) be excluded from this meeting to enable this meeting to receive, discuss or consider in confidence Item 23 [Confidential Recommendation of the City Finance and Governance Committee – 27 August 2024] listed in the Agenda, on the grounds that such item of business, contains information and matters of a kind referred to in section 90(3) (b) and (d) of the Act.

Carried

Members of the public and corporation staff not involved with Item 23 left the Council Chamber at 7.49 pm.

- 23** Confidential Recommendation of the City Finance and Governance Committee - 27 August 2024 [S90(3) (b), (d)]

The meeting reopened to the public at 7.51 pm.

Item 23 - Confidential Recommendation of the City Finance and Governance Committee – 27 August 2024

Confidentiality Order

Authorises that, in accordance with Section 91(7) and (9) of the *Local Government Act 1999 (SA)* and because Item 23 [Confidential Recommendation of the City Finance and Governance Committee - 27 August 2024] listed on the Agenda for the meeting of the Council held on 27 August 2024 was received, discussed and considered in confidence pursuant to Section 90(3) (b) and (d) of the *Local Government Act 1999 (SA)*, this meeting of the Council do order that

1. The resolution, the report, the discussion and any other associated information submitted to this meeting and the Minutes of this meeting in relation to the matter remain confidential and not available for public inspection until 31 December 2030.
2. The confidentiality of the matter be reviewed in December 2025.
3. The Chief Executive Officer be delegated the authority to review and revoke all or part of the order herein and directed to present a report containing the Item for which the confidentiality order has been revoked.

Closure

The meeting closed at 7.51 pm

Dr Jane Lomax-Smith
Lord Mayor

Date of confirmation:

Documents Attached:

Items 20.1 – 20.7 - Question on Notice Replies – Distributed Separately

Councillor Davis - QoN - Increase Debt Estimate

Tuesday, 27 August 2024
Council

Council Member
Councillor Henry Davis

Public

Contact Officer:
Anthony Spartalis, Acting Chief
Operating Officer

QUESTION ON NOTICE

Councillor Henry Davis will ask the following Question on Notice:

1. What assumptions were made which resulted in the projected borrowings of \$0 as per the 2021/2022 LTFFP increasing to 208Mil in projected borrowings as per the 2023/24 LTFFP?
2. What assumptions were made which resulted in a total projected borrowings of 208Mil as projected in the 2023/24 Long Term Financial Plan increasing to 315Mil as per the report presented to the Finance and Governance Committee on 21 May 2024 at page 69?
3. Was the replacement of the Bridge, weir and Rundle UPark included in the 2021/2022 LTFFP?
4. What assumption was made in relation to the Rundle UPark in the 2021/2022 year?

REPLY

1. Projected borrowings of \$0 in the 2021/2022 LTFFP increased to \$208m in projected borrowings in the 2023/24 LTFFP based on the following assumptions:
 - 1.1. Mainstreets upgrade (\$15m/year for 4 years = \$60m)
 - 1.2. Inclusion of New and Upgrades expenditure in future years (\$15m/year for 6 years = \$90m)
 - 1.3. Increase to 23/24 capital program above previous projections (\$36.1m)
 - 1.4. Aquatic Centre (\$20m contribution to demolition and Park Lands reinstatement)
 - 1.5. Removal of Rundle UPark net income (\$3.3m/year for 3 years = \$9.9m)
 - 1.6. Interest on borrowings associated with the above (\$39.8m).
2. Projected borrowings of \$208m in the 2023/2024 LTFFP increased to \$315m in projected borrowings in the report presented to City Finance and Governance Committee (21 May 2024) based on the following assumptions:
 - 2.1. Asset Management Plan increase with no matching revenue increase (\$150.4m) – excluding Lighting & Electrical and Park Lands & Open Space which at that time had not been approved for consultation.
 - 2.2. Flinders Street land purchase (\$9.8m)

2.3. Charles Street (\$0.3m)

2.4. Note: the report stated that the projected borrowing increase was dependent on Council decisions to mitigate, discussed in the LTFP section of the 21 May 2024 report.

3. Replacement of the Weir and Bridge were included in the 2021/22 LTFP. Rundle UPark was removed based on a Council decision.
4. Assumptions made about the Rundle UPark in the 2021/22 LTFP were that no renewal component was assumed, but net income was retained and reflected in the LTFP (Council decision).
5. Each figure above is estimated based on holding all other items constant – that is, they are subject to changes in other related assumptions. Council agreement and firming of each related assumption at the conclusion of the 2024/25 LTFP process will enable LTFP estimates based on the agreed set of assumptions adopted by Council.

Staff time in receiving and preparing this reply	To prepare this reply in response to the question on notice took approximately 5.5 hours.
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- END OF REPORT -

Councillor Davis - QoN - Bridge, Weir and Rundle UPark

Tuesday, 27 August 2024
Council

Council Member
Councillor Henry Davis

Public

Contact Officer:
Anthony Spartalis, Acting Chief
Operating Officer

QUESTION ON NOTICE

Councillor Henry Davis will ask the following Question on Notice:

1. When was the estimated construction cost for the Bridge, Weir and Rundle UPark last updated?
2. What has been the increase in construction costs since the estimates were last updated to present?
3. Can the administration confirm that the costs of a like for like replacement for the bridge, weir and Rundle UPark are estimated to be 60 million, 40 million and 60 million, respectively, as presented to the Committee on 6 August 2024?
4. Under the adopted LTFP, in what years will the bridge, weir and Rundle UPark be replaced?
5. What is the estimated cost for a like for like replacement for the the bridge, weir and Rundle UPark in the planned year of construction?

REPLY

1. The estimated construction costs for the Bridge, Weir and Rundle UPark were last updated in the preparation of the 23/24 Asset Management Plans.
2. The increase in construction costs since estimates were last updated are:
 - 2.1. \$35m (2021 desktop AMP update) to \$40m for the Weir (23-24 AMP update)
 - 2.2. \$50m (2021 desktop AMP update) to \$60m for the Bridge (23-24 AMP update)
 - 2.3. \$50m (2021 desktop AMP update) to \$60m for Rundle UPark (23-24 AMP update)
3. The costs of a like for like replacement for the Bridge, Weir and Rundle UPark are estimated to be \$60m, \$40m and \$60m, respectively, as presented to the Committee on 6 August 2024.
4. The adopted LTFP (2023/24 – 2032/33) assumes replacement of:
 - 4.1. the Bridge – 2030/31.
 - 4.2. the Weir – 2028/29.
 - 4.3. Rundle UPark – A resolution of Council saw the removal of the capital funding associated with the Rundle UPark from the 2021/22 LTFP and was not reinstated in the adopted 2023/24 LTFP. It is anticipated subject to Council consideration that a capital allocation will be included within the LTFP for the 2029/30 and 2030/31 financial years to extend to asset life should Council not determine the assets future use through an EOI process.

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5. Estimated costs for a like for like replacement of the Bridge, Weir and Rundle UPark in the year expected are:
 - 5.1. Bridge (\$65.6m CPI escalated as per CPI projections within the adopted LTFFP).
 - 5.2. Weir (\$44.7m CPI escalated as per CPI projections within the adopted LTFFP).
 - 5.3. Rundle UPark was removed from the LTFFP as per Council Decision (\$71.6m CPI escalated as per CPI projections within the adopted LTFFP).
6. Each figure above is estimated based on holding all other items constant – that is, they are subject to changes in other related assumptions. Council agreement and firming of each related assumption at the conclusion of the 2024/25 LTFFP process will enable LTFFP estimates based on the agreed set of assumptions adopted by Council.

Staff time in receiving and preparing this reply	To prepare this reply in response to the question on notice took approximately 5.5 hours.
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- END OF REPORT -

Councillor Davis - QoN - Asset Renewal

Tuesday, 27 August 2024
Council

Council Member
Councillor Henry Davis

Public

Contact Officer:
Anthony Spartalis, Acting Chief
Operating Officer

QUESTION ON NOTICE

Councillor Henry Davis will ask the following Question on Notice:

- 1. In delivering the Main Street Upgrades, will the renewal spend as assumed under the AMPs for those Main Street Upgrades, be brought forward?
- 2. What is the total value of the brought forward amount of the Renewal spend under the main street AMPs?
- 3. The Council's renewal target is 92.5% increasing to 100% on its renewal spend. The brought-forward renewal spending on Main Streets will necessitate a reduction in the renewal spending of other asset classes. Please provide a breakdown of the renewal spend per asset class?

REPLY

- 1. The renewal spend assumed within the Asset Management Plans for the Main Street upgrades has been brought forward.
- 2. The total value of the renewal spend brought forward for Main Streets is \$43.4m in today's dollars.
- 3. Breakdown of the renewal spend per asset class (all in today's dollars):
 - 3.1. Transportation: \$15.6m
 - 3.2. Urban Elements: \$3.0m
 - 3.3. Lighting & Electrical: \$3.8m
 - 3.4. Water Infrastructure: \$20.8m
 - 3.5. Park Lands & Open Space: \$0.2m
- 4. Each figure above is estimated based on holding all other items constant – that is, they are subject to changes in other related assumptions. Council agreement and firming of each related assumption at the conclusion of the 2024/25 Long Term Financial Plan (LTFP) process will enable LTFP estimates based on the agreed set of assumptions adopted by Council.

Staff time in receiving and preparing this reply	To prepare this reply in response to the question on notice took approximately 5 hours.
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Councillor Davis - QoN - Prudential Borrowing Limit

Tuesday, 27 August 2024
Council

Council Member
Councillor Henry Davis

Public

Contact Officer:
Anthony Spartalis, Acting Chief
Operating Officer

QUESTION ON NOTICE

Councillor Henry Davis will ask the following Question on Notice:

1. What is the Council’s current prudential borrowing limit?
2. As per the report presented to the committee on 21 May 2024 on page 69, when will the Council reach its prudential borrowing limit?’

REPLY

1. Council’s current prudential borrowing limit is \$152.9m.
2. Council would notionally reach its prudential borrowing limit in 2028-29, noting any projected borrowing increase is dependent on Council decisions to manage borrowing levels (discussed in the LTFP section of the report to the City Finance and Governance Committee on 21 May 2024).
3. Each figure above is estimated based on holding all other items constant – that is, they are subject to changes in other related assumptions. Council agreement and firming of each related assumption at the conclusion of the 2024/25 LTFP process will enable LTFP estimates based on the agreed set of assumptions adopted by Council.

Staff time in receiving and preparing this reply	To prepare this reply in response to the question on notice took approximately 5 hours.
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- END OF REPORT -

Councillor Davis - QoN - Rate Increases

Tuesday, 27 August 2024
Council

Council Member
Councillor Henry Davis

Public

Contact Officer:
Anthony Spartalis, Acting Chief
Operating Officer

QUESTION ON NOTICE

Councillor Henry Davis will ask the following Question on Notice:

- '1. As per the report presented to the Finance and Governance Committee on 21 May 2024 at page 69:
 - 1.1 What is the total rate increase required to meet a continuing budget of a 15Mil spend on New Capital?
 - 1.2. What is the total rate increase required to pay for the bridge, weir and Rundle UPark within 10 years?
 - 1.3. What is the total rate increase required to meet a minimum renewal target of 100% across all asset classes?
 - 1.4. What total rate increase in the 2024/25 financial year is required to achieve \$0 in borrowings in the 2033 financial year?'

*Note that the Rundle UPark replacement was not included in the 315Mil estimated debt in the 2033 year per the report presented to the finance committee on 21 May 2024 on page 69.

REPLY

1. As per the report presented to the City Finance and Governance Committee on 21 May 2024 at page 69:
 - 1.1. Required rate increase for \$15m new capital spend
 - 1.1.1. The proposed assumption of aligning the future new capital spend within the prudential limits allows for approximately \$3m per annum (not \$15m as per the 21 May 2024 report).
 - 1.1.2. This reduced figure would on average, over the last 6 years of the LTFP, equate to a 1.6% annual rate increase, if Council decided not to adhere to its adopted principle of funding new capital from debt, and instead decided to use rates to fund this.
 - 1.2. Total rate increase (hypothetically) required to pay for the Bridge, Weir and Rundle UPark within 10 years:
 - 1.2.1. Assuming rates of approximately \$140m per year rounded up, a total cost of \$160m to fund the 3 assets is 114% of the total rates base, or on average per year 8.8% compounded (that is, rates revenue base increases annually by the 8.8% over 10 years).

- 1.3. Total rate increase required to meet a minimum renewal target of 100% across all asset classes
 - 1.3.1. 10.5% as per the presentation provided to City Finance and Governance Committee workshop on 6 August 2024 (excluding Significant Renewals which were assumed to be funded via debt).
- 1.4. Total rate increase in the 2024/25 financial year required to achieve \$0 in borrowings in the 2033 financial year
 - 1.4.1. This question can be answered once the 2024/25 LTFP assumptions and expected level of borrowings have been agreed and finalised by Council.
- 2. Each figure above is estimated based on holding all other items constant – that is, they are subject to changes in other related assumptions. Council agreement and firming of each related assumption at the conclusion of the 2024/25 LTFP process will enable LTFP estimates based on the agreed set of assumptions adopted by Council.

Staff time in receiving and preparing this reply	To prepare this reply in response to the question on notice took approximately 5 hours.
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- END OF REPORT -

Councillor Davis - QoN - Rundle UPark

Tuesday, 27 August 2024
Council

Council Member
Councillor Henry Davis

Public

Contact Officer:
Tom McCready, Director City
Services

QUESTION ON NOTICE

Councillor Henry Davis will ask the following Question on Notice:

- '1. What is the current status of the Rundle UPark Joint Venture EOI?'

REPLY

- 1. Current status of the Rundle UPark joint venture EOI
 - 1.1. Council at its meeting on 13 December 2022 resolved:
That Council;
Pending a presentation by the Administration to the current elected body at the next appropriate Committee of Council meeting and any subsequent review determined by Council, asks the Administration to:
Suspend for the time being all expression of interest processes and/or marketing of expression of interest processes related to any strategic asset sale unless contracts for such sales have been approved by Council and to suspend also further sales of Council housing.
 - 1.2. This resolution included any activity in relation to the Rundle UPark EOI process.
 - 1.3. A Confidential CEO Briefing is scheduled for 29 August 2024 to discuss the Rundle UPark, in response to Council Members asking for projects to be brought back for consideration and discussion.

Staff time in receiving and preparing this reply	To prepare this reply in response to the question on notice took approximately 4 hours.
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- END OF REPORT -

Councillor Davis - QoN - Light Square

Tuesday, 27 August 2024
Council

Council Member
Councillor Henry Davis

Public

Contact Officer:
Ilia Houridis, Director City Shaping

QUESTION ON NOTICE

Councillor Henry Davis will ask the following Question on Notice:

1. Provide an estimate for Option 1 and Option 2 for the Light Square upgrade?
 2. What is the current timetable for each of the Main Street upgrades?
 3. Assuming no increase to the New Capital Spend budget, in what year could the Light Square Master Plan be delivered?
 4. If the Light Square Master Plan was implemented in the 2025 financial year, what rate increase would be required to repay the borrowings within 10 years?
-

REPLY

1. Light Square options
 - 1.1. The Light Square Master Plan outlines proposed options for further development to support the design stages which will inform the provision of cost estimates for Council's consideration.
 - 1.2. The Master Plan provides strategic directions, development, vision and principles at a precinct level.
 - 1.3. The next phase will involve public consultation before further design development in line with Council's decision on 13 August 2024 Item 24 – 7.3 Light Square Master Plan, including testing through the Integrated Transport Strategy, staging, cost estimation, and an investment strategy that will identify partnership and grant funding opportunities.
2. Main Street upgrade timetable - on 27 June 2023, Council approved the following timetable for each Main Street upgrade:
 - 2.1. An indicative forward estimate (new & upgrade) within the Long-Term Financial Plan for Hindley Street for construction occurring in 2024/25 and 2025/26.
 - 2.2. An indicative forward estimate (new & upgrade) within the Long-Term Financial Plan for Gouger Street for detailed design in 2024/25 and for construction occurring in 2025/26 and 2026/27.
 - 2.3. An indicative forward estimate (new & upgrade) within the Long-Term Financial Plan for O'Connell Street for detailed design occurring in 2024/25 and for construction occurring in 2026/27 and 2027/28. (Noting that Council will consider a budget reconsideration to allow for a small section of O'Connell Street - adjacent to the 88 O'Connell development – to commence construction in the FY2024/25 to align with the 88 O'Connell development program).

- 2.4. An indicative forward estimate (new & upgrade) within the Long-Term Financial Plan for Melbourne Street, for detailed design occurring in 2025/26 and for construction occurring in 2026/27 and 2027/28.
- 2.5. An indicative forward estimate (new & upgrade) within the Long-Term Financial Plan for Hutt Street for detailed design occurring in 2024/25 and for construction occurring in 2025/26 and 2026/27.
3. Delivery of Light Square Master Plan
 - 3.1. Light Square is yet to be costed and prioritised for Council as a Capital Project. Design development has been factored into the 2024/25 Annual Business Plan and Budget program and is subject to public consultation on two options, including consideration of staged approaches.
 - 3.2. Once public consultation and design development is progressed, the proposal with cost estimates will be put to Council to consider prioritisation, implications for investment and the Long-Term Financial Plan.
4. Light Square related borrowing
 - 4.1. The 2024/25 Annual Business Plan and Budget does not include a Capital allocation for Light Square as it is only at the Master Plan phase.
 - 4.2. In keeping with Council's adopted financial principles, if Light Square were to proceed, any Renewal component would be funded from within the Renewal program, which is funded from operational revenue. Any New and Upgrade component would be funded via debt, to minimise any rate increase to the community.
 - 4.3. The Annual Business Plan and Budget includes \$250,000 in 2024/25 to support the design development phase, which will inform cost estimates for future consideration.
5. Each figure above is estimated based on holding all other items constant – that is, they are subject to changes in other related assumptions. Council agreement and firming of each related assumption at the conclusion of the 2024/25 LTFP process will enable LTFP estimates based on the agreed set of assumptions adopted by Council.

Staff time in receiving and preparing this reply	To prepare this reply in response to the question on notice took approximately 5.5 hours.
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