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**I hereby give notice that a Council Meeting will be held on:**

**Date: Tuesday, 18 January 2022**  
**Time: 6.00 p.m.**  
**Location: Council Chamber**  
**Civic Centre**  
**10 Watson Terrace**  
**Mount Gambier**

link for public to view: <https://www.youtube.com/user/CityOfMountGambier/live>

# **CONFIDENTIAL AGENDA**

**Council Meeting**  
**18 January 2022**

A handwritten signature in black ink, appearing to read "Sarah Philpott", written over a light grey circular stamp.

**Sarah Philpott**  
**Chief Executive Officer**  
**14 January 2022**

**26.3 WULANDA RECREATION AND CONVENTION CENTRE - MANAGEMENT AND OPERATION OF MOUNT GAMBIER COMMUNITY AND RECREATION HUB UPDATE – REPORT NO. AR22/1582**

**CONSIDERATION FOR EXCLUSION OF THE PUBLIC**

Pursuant to section 90(2) of the *Local Government Act 1999* the Council orders that all members of the public, except the Mayor, Councillors and (Council Officers) be excluded from attendance at the meeting for the receipt, discussion and consideration in confidence of Agenda Item 26.3 AR22/1582 Wulanda Recreation and Convention Centre - Management and Operation of Mount Gambier Community and Recreation Hub Update.

The Council is satisfied that, pursuant to section 90(3) (b), (d) and (g) of the Act, the information to be received, discussed or considered in relation to the Agenda Item is:

- information the disclosure of which could reasonably be expected to confer a commercial advantage on a person with whom the Council is
  - conducting business; or
  - proposing to conduct business; or
  - to prejudice the commercial position of the Council
- commercial information of a confidential nature (not being a trade secret) the disclosure of which could reasonably be expected:
  - to prejudice the commercial position of the person who supplied the information, or
  - to confer a commercial advantage on a third party
- information concerning matters that must be considered in confidence in order to ensure that the Council does not:
  - breach any law, order or direction of a court or tribunal constituted by law,
  - breach any duty of confidence, or
  - breach any other legal obligation or duty

The Council 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 information contained within the report and attachments presents matters relating to the negotiation and execution of a contract between Council and a contractor associated with the operation and management of the Wulanda Recreation and Convention Centre which is subject to an existing confidentiality order. The disclosure of information contained in this report and attachments could reasonably be expected to prejudice the commercial position of Council or the third parties and is considered on balance to be contrary to the public interest as it could prejudice the Councils position in obtaining best value on behalf of the community.

**26.3 WULANDA RECREATION AND CONVENTION CENTRE - MANAGEMENT AND OPERATION OF MOUNT GAMBIER COMMUNITY AND RECREATION HUB UPDATE – REPORT NO. AR22/1582**

<b>Committee:</b>	<b>Council</b>
<b>Meeting Date:</b>	<b>18 January 2022</b>
<b>Report No.:</b>	<b>AR22/1582</b>
<b>CM9 Reference:</b>	<b>AF13/64</b>
<b>Author:</b>	<b>Barbara Cernovskis, General Manager City Infrastructure</b>
<b>Authoriser:</b>	<b>Sarah Philpott, Chief Executive Officer</b>
<b>Summary:</b>	<b>This report provides a progress update on the contract negotiations for the future management and operation of the Wulanda Recreation and Convention Centre.</b>
<b>Strategic Plan Reference:</b>	<b>Goal 1: Our People</b>
	<b>Goal 2: Our Location</b>
	<b>Goal 3: Our Diverse Economy</b>
	<b>Goal 4: Our Climate, Natural Resources, Arts, Culture and Heritage</b>
	<b>Goal 5: Our Commitment</b>

The Committee is satisfied that, pursuant to Section 90(2) & (3) of the *Local Government Act 1999*, the information to be received, discussed or considered in relation to this agenda item is:

- (b) information the disclosure of which could reasonably be expected to confer a commercial advantage on a person with whom the Council is conducting business; or proposing to conduct business; or to prejudice the commercial position of the Council
- (d) commercial information of a confidential nature (not being a trade secret) the disclosure of which could reasonably be expected: to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party
- (g) information concerning matters that must be considered in confidence in order to ensure that the Council does not: breach any law, order or direction of a court or tribunal constituted by law, breach any duty of confidence, or breach any other legal obligation or duty.

**REPORT RECOMMENDATION**

1. That Council Report No. AR22/1582 titled 'Wulanda Recreation and Convention Centre - Management and Operation of Mount Gambier Community and Recreation Hub Update' as presented on 18 January 2022 be noted.



## TYPE OF REPORT

Other

## BACKGROUND

Council, at its meeting held on 15 June 2021 resolved:

- “1. That Wulanda Recreation and Convention Centre Committee Report No. AR21/34712 titled ‘Request for Expressions of Interest - AF20/515 Management and Operation of Mount Gambier Community and Recreation Hub’ as presented on 08 June 2021 be noted.
2. That having assessed the short-listed respondents Council endorse Belgravia Pty Ltd as the preferred manager for the Wulanda Recreation and Convention Centre.
3. That the Chief Executive Officer be authorised to finalise negotiations that include a risk and profit share arrangement in the management agreement with the preferred manager and the Chief Executive Officer and Mayor be authorised to affix the seal to any necessary documentation.
4. That Council note the recommended resourcing requirement identified as critical to meeting the community expectations and that the multi-use, accessibility principal for the facility is not compromised.”

This report provides a progress update on the final negotiations of the operating contract with Belgravia Pty Ltd for the Wulanda Recreation and Convention Centre.

## PROPOSAL

Negotiations to formalise an agreement with Belgravia to operate the WRCC are continuing. Belgravia’s Operations Manager has been working closely with Council officers to understand the layout and function of the building. In addition, the security, data, fixtures, fittings, and equipment lists have been reviewed for inclusion in the contract schedules. Given this agreement is a unique arrangement in terms of a risk and profit share model Council continue to work closely with Mark Booth who has been instrumental with supporting Council through this process.

The current timeline for execution of the contract is as follows:

- A ‘Letter of Intent’ to be signed by Belgravia Pty Ltd in September
- A draft contract presented to the September WRCC meeting to discuss/review identified KPI’s and relevant terms and conditions
- Belgravia Operations Manager engaged at end of September for the pre-opening term and to meet regularly with Council and the PCG
- Management agreement schedules to be completed in December 2021
- Internal review of draft agreement, budget, and profit share assumptions
- Final draft agreement submitted to Norman Waterhouse for legal review
- Norman Waterhouse return final reviewed document to Council for contract execution
- Contract executed January 2022

The final executed contract to be presented to the next ordinary meeting of Council for noting.

## LEGAL IMPLICATIONS

Legal advice has been sought regarding the draft contract and legal review will be undertaken prior to execution.



## **STRATEGIC PLAN**

The Wulanda Recreation and Convention Centre in its design, delivery and proposed operation is congruent with the goals of the Community Plan - City Futures Paper 2016-2020 and Council's Strategic Plan 2020-2024.

## **COUNCIL POLICY**

Execution of the contract with Belgravia Pty Ltd as a collaborative partner in the management and operation of the Wulanda Recreation and Convention Centre is being conducted in accordance with the following Council Policies:

[P415 Prudential Management](#)

[F225 Fraud and Corruption Prevention](#)

[Risk Management](#)

[P420 Procurement, & Disposal of Land and Assets](#)

[P900 Public Interest Disclosure](#)

[R180 Records Management](#)

## **ECONOMIC IMPLICATIONS**

Revenue streams for the Belgravia Pty Ltd business models is underpinned by full service offerings including operating the gym and café.

## **ENVIRONMENTAL IMPLICATIONS**

Belgravia Pty Ltd demonstrated a strong commitment to quadruple bottom line reporting.

## **SOCIAL IMPLICATIONS**

Belgravia Pty Ltd demonstrated a strong commitment to quadruple bottom line reporting

## **CULTURAL IMPLICATIONS**

Belgravia Pty Ltd demonstrated a strong commitment to quadruple bottom line reporting

## **RESOURCE IMPLICATIONS**

A dedicated Council resource has been identified and endorsed by Council as critical to the success of the management and operating agreement to ensure that community expectations are met and the multi-use, accessibility principal for the facility is not compromised. This resourcing will be recruited in the first quarter of 2022.

## **VALUE FOR MONEY**

Belgravia Leisure Pty Ltd have demonstrated strength in their capability to deliver value for money.

## **RISK IMPLICATIONS**

Belgravia Leisure Pty Ltd demonstrated strength in their performance by clearly outlining their experience, risk mitigation and capacity to partner with Local Government to deliver quality outcomes.

## **EQUALITIES AND DIVERSITY IMPLICATIONS**

N/A to this report

## **ENGAGEMENT AND COMMUNICATION STRATEGY**

Belgravia Operations Manager has compiled a stakeholder engagement strategy in collaboration with Councils Strategic Development and Engagement Officer in readiness for when the contract is executed.



## **IMPLEMENTATION STRATEGY**

The updated timeline for execution of the contract is as follows:

- A 'Letter of Intent' to be signed by Belgravia Pty Ltd in September
- A draft contract presented to the September WRCC meeting to discuss/review identified KPI's and relevant terms and conditions
- Belgravia Operations Manager engaged at end of September for the pre-opening term and to meet regularly with Council and the PCG
- Management agreement schedules to be completed in December 2021
- Internal review of draft agreement, budget, and profit share assumptions
- Final draft agreement submitted to Norman Waterhouse for legal review
- Norman Waterhouse return final reviewed document to Council for contract execution
- Contract executed January 2022

The final executed contract to be presented to the next ordinary meeting of Council for noting.

## **CONCLUSION AND RECOMMENDATION**

This report provides a progress update on the contract negotiations for the Management and Operations of Wulanda Recreation and Convention Centre (WRCC).

## **ATTACHMENTS**

Nil



**CONSIDERATION FOR KEEPING ITEMS CONFIDENTIAL**

1. In accordance with Sections 91(7) and 91(9) of the *Local Government Act 1999* the Council orders that the report 26.3 AR22/1582 Wulanda Recreation and Convention Centre - Management and Operation of Mount Gambier Community and Recreation Hub Update and its attachments, the discussion and the resolution/s and minutes arising from the report, having been considered by the Council in confidence under Section 90(2) & (3) (b), (d) and (g) be kept confidential and not available for public inspection until a further order of Council to release.
2. Further that Council delegates the power to review, revoke, but not extend the confidential order to the Chief Executive Officer in accordance with the provisions of Section 91(9)(c) of the *Local Government Act 1999*.

CONFIDENTIAL

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**MINUTES OF CITY OF MOUNT GAMBIER COUNCIL MEETING  
HELD VIRTUALLY FROM THE COUNCIL CHAMBER, CIVIC CENTRE, 10 WATSON TERRACE,  
MOUNT GAMBIER  
ON TUESDAY, 18 JANUARY 2022 AT 6.00 P.M.**

**VIRTUAL MEETING WAS AVAILABLE FOR LIVE STREAMING,  
<https://www.youtube.com/user/CityOfMountGambier/live>**

**PRESENT:** Mayor Lynette Martin (OAM), Cr Sonya Mezinec, Cr Kate Amoroso, Cr Max Bruins, Cr Christian Greco, Cr Paul Jenner, Cr Frank Morello, Cr Steven Perryman

**OFFICERS IN ATTENDANCE:**

Chief Executive Officer	- Mrs S Philpott
General Manager City Infrastructure	- Ms B Cernovskis
General Manager Corporate and Regulatory Services	- Mr D Barber
General Manager City and Community Growth	- Mr T Coote
Manager Governance and Property	- Mr M McCarthy
Media and Communications Coordinator	- Ms S McLean
iServices Systems Administrator	- Mr A Myers
Executive Administrator	- Ms T Chant



**26.3 WULANDA RECREATION AND CONVENTION CENTRE - MANAGEMENT AND OPERATION OF MOUNT GAMBIER COMMUNITY AND RECREATION HUB UPDATE – REPORT NO. AR22/1582**

**RESOLUTION 2022/7**

Moved: Cr Frank Morello  
Seconded: Cr Max Bruins

**CONSIDERATION FOR EXCLUSION OF THE PUBLIC**

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**CARRIED**



**RESOLUTION 2022/8**

Moved: Cr Sonya Mezinec

Seconded: Cr Paul Jenner

1. That Council Report No. AR22/1582 titled 'Wulanda Recreation and Convention Centre - Management and Operation of Mount Gambier Community and Recreation Hub Update' as presented on 18 January 2022 be noted.

**CARRIED**

**RESOLUTION 2022/9**

Moved: Cr Sonya Mezinec

Seconded: Cr Frank Morello

**CONSIDERATION FOR KEEPING ITEMS CONFIDENTIAL**

1. In accordance with Sections 91(7) and 91(9) of the *Local Government Act 1999* the Council orders that the report 26.3 AR22/1582 Wulanda Recreation and Convention Centre - Management and Operation of Mount Gambier Community and Recreation Hub Update and its attachments, the discussion and the resolution/s and minutes arising from the report, having been considered by the Council in confidence under Section 90(2) & (3) (b), (d) and (g) be kept confidential and not available for public inspection until a further order of Council to release.
2. Further that Council delegates the power to review, revoke, but not extend the confidential order to the Chief Executive Officer in accordance with the provisions of Section 91(9)(c) of the *Local Government Act 1999*.

**CARRIED**